

CARLISLE CITY COUNCIL

Report to:- **Carlisle City Council**

Date of Meeting:- **10th November 2009**

Agenda Item No:-

Public

Title:- **SANDS DEVELOPMENT**

Report of:- **The Director of Community Services**

Report reference:- **CS 54/09**

Summary:- At its meeting on 16th October 2009, the Executive considered report CS47/09 regarding the Sands Development a copy of which is appended.

The decisions of the Executive are as follows:-

1. That the Executive agreed unanimously to pursue development of the Sands Centre, including the 'School of Sport' and Pools Complex.
2. That the Director of Community Services confirm details of the position to the University of Cumbria.
3. That the Executive authorises Officers to commission further work, including the submission of a planning application, and report back to the Executive in April 2010.
4. That the City Council be requested to approve a supplementary estimate of £150,000 to facilitate the project development.

Recommendation:- The Council are asked to approve a supplementary estimate of £150,000 to facilitate the development of the Sands Project.

Contact Officer: Michael Battersby

Ext: 7325

27 October 2009

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: CS 47/09



REPORT TO EXECUTIVE

PORTFOLIO AREA: INFRASTRUCTURE & ENVIRONMENT : CROSS CUTTING

Date of Meeting: 16th OCTOBER 2009

Public

Key Decision: Yes

Recorded in Forward Plan:

No

Inside/Outside Policy Framework

Title: SANDS DEVELOPMENT

Report of: The Director of Community Services

Report reference: CS47/09

Summary: This report presents the outcomes of the feasibility study commissioned to assess options for developing the Sands Centre. The potential to incorporate the University of Cumbria into the facility have been fully explored.

The project would be a significant investment and benefit to Carlisle and the issues are set out within the report.

Recommendations: It is recommended that:-

1. The Executive decides if it wishes to pursue this project, and if so defines the scope from the options set out in the report.
2. The Executive advises the University of Cumbria of its position.
3. Should the Executive wish to pursue the development it authorises Officers to commission further work and to submit a Planning Application and to report back to Executive in April 2010.
4. Council be requested to approve a supplementary estimate of £150,000 to facilitate the project development.

Contact Officer: Michael Battersby

Ext: 7325

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 At its meeting on 16th February the Executive considered report CS 07/09 and resolved to authorise a feasibility study to assess the development options and implications for the Sands. Subsequently this Community O/S Committee positively supported the initiatives (minutes COS 25/09 from meeting on 26th March) and expressed a desire to be engaged in the future progress.
- 1.2 To progress the study a Project Board was established which included representatives from the University of Cumbria and Carlisle Leisure Ltd. Following a competitive process and development of a brief (based on the key elements of report CS 07/09). Architects were appointed to develop costed design option. In addition specialist sports consultants were commissioned to work with Carlisle Leisure Ltd to produce a costed business case for usage of the facility.
- 1.3 The initial brief comprised a number of components:-
- Works to the existing Sands building
 - New sports hall
 - Swimming pool
 - University School of Sport

A range of options were developed on these components and following preliminary assessments several variations arose. These were as follows:-

- (i) Initially the University required approximately 800m² of space as this development (and modest changes at the Sheepmount) would comprise part of their offer to students for the School of Sport. As the proposals progressed they decided to base their major facility at the Sands with only minor facilities elsewhere in Cumbria. This provided a major positive to the project and effectively doubled their initial space requirements.
- (ii) The positioning of the various elements brought focus on the existing Fitness Suite which became a critical consideration to deliver the optimum layout. This is a very positive revenue stream at the Sands and this resulted in extending the scope of works both to increase the floor space and accommodate the increased space requirement for the University.

- (iii) The size of the 25m swimming pool was reviewed to extend the width from 17m to 19m to provide 8 lanes and be fully compliant with Sport England regional standards for competition. In addition a 'Learner Pool' was included.

1.4 As the designs evolved the options were narrowed down to one with all the components and one without a pool complex. Some work has also been undertaken to assess the potential to construct the latter option to facilitate the later addition of the pool complex.

DESIGN SOLUTIONS

1.5 The designs for the two options have been prepared to Royal Institute of British Architects (RIBA) stage C. The more detailed design to support a planning application and refine the cost estimates would require completion to stage D. As part of the design development the Architects have consulted with a wide range of organisations and statutory bodies.

1.6 Some images for the potential designs/layout have been included as Appendix 1 to this report and other larger plans will be on display. Very briefly the scope of the works compromise:-

(i) Existing Building

- Creation of a multi-functional events venue in the main hall with an increased capacity including:-
 - Overhaul/upgrade to ventilation system/lighting
 - Improvements to roof
 - Improved backstage dressing rooms
 - Provision of a new bar
 - Internal Decoration/Improvements to Acoustics
- Construction of a mezzanine floor in the secondary hall and other alterations on the first floor to create a new conference facility with the retention of the existing climbing wall.
- Revised access and reception layout which recognises different functions, with more natural light
- Increased size for changing facilities

(ii) Sport Hall

- To cater for the vast majority of sports uses a new 33m x 18m x 7.6m high sports hall
- Associated storage rooms
- Provision of a viewing gallery from first floor

(iii) Gym

- The size and layout of the existing gym has developed over the years. Space pressures and the construction of other components require works to be undertaken.
- Increase floor space from 450m² to 620m² (40%) split over two floors.

(iv) School of Sport

- Provision of approximately 2000 m² of space on 4 floors to University requirements. Includes teaching space, laboratories, offices etc.
- Separate dedicated access
- Shared atrium to circulation space and viewing galleries

(v) Pool Complex

- Provision of a 25m x 19m pool (ranging from 1.0m to 2.0m in depth) which provides 8 swimming lanes to Sport England competitive standards. Poolside is at first floor level.
- Provision of 17m x 7m x 0.9m deep Learner Pool with some segregation from main area.
- Associated changing village and lockers.

- Spectator capacity for 150 people together with 5 designated spaces for disabled visitors.

(vi) External Works

- Revised traffic access arrangements in the Sands car park.
- Landscaping, footpaths etc.
- Lighting improvements.
- Changes to car parking layout.

- 1.7 It must be re-emphasised that the current design considerations are to RIBA stage C and the focus should be on configuration, design principles etc. rather than detailed design. The Project Board have a series of relatively minor design modifications they would wish to be incorporated should the project progress to the next stage (Stage D) and prior to a formal planning submission.

Similarly the detailed design will meet 'Secure by Design', disabled access/use and energy efficiency standards.

- 1.8 The overall proposals would result in the loss of approximately 70 car parking spaces. Some detailed work has been undertaken to assess the impact and based on existing levels of usage the overall impact would be negligible i.e. there is currently spare capacity on the Sands car park. Similarly the Swifts Car Park would be better signed for parking for evening events. The impact of major events on parking and vehicle access would be incorporated into a Transport Assessment which would be required to support a Planning Application.

POOLS COMPLEX

- 1.9 Of the two options presented the key difference is the Pools Complex. A number of issues need to be taken into account to judge the relative merits of locating this at the Sands and the Project Board have considered these. In summary:-
- (i) The Council commissioned a report in June 2006 to assess future provision of sports facilities. In respect of swimming provision it identified the optimum solution to be two new 25m pools, one at the Sands and one in Carlisle South.

- (ii) The existing City Pools are in need of significant investment to maintain and improve existing standards. Work undertaken in conjunction with Carlisle Leisure Ltd indicates that investment in the region of approximately £1.5m would be required over the next 5 years. This would require full/partial closure for the periods of refurbishment and even this investment would not address the overall condition, access and car parking at this facility would be less than ideal.
- (iii) The Amateur Swimming Association (ASA) regional strategy does not include provision for a 50m pool in Carlisle. The construction and operational costs of a larger pool are not pro-rata to the 25m pool (the 50m pool recently completed at Sunderland cost in excess of £20m). It would be extremely difficult to find space at the Sands to construct a 50m pool.
- (iv) Construction of a new pools complex at the Sands consolidates a wide range of sports facilities and provides management efficiencies. There would be a capital cost of approximately £4.6m for a new facility with an approximate reduction in operational costs of £100 - 150,000/year.
- (v) Should re-location be progressed then this would meet the ASA requirements for club development and competition which can not currently be achieved at James Street.
- (vi) Should the pool complex be built at the Sands this would enable the newer building (33m pool and entrance) to be closed and demolished, indeed this has been assumed in the revenue projections. Current proposals would retain the older building (Health Suite, Turkish Baths and 20m pool) where the character and features may have the potential to be 'listed' by the Department of Culture, Media & Sport. This would then free-up part of the site for temporary car parking or make it available earlier for any potential development. The value of the site has not been taken into account in the cost plan. The estimated cost of demolition and creating a car park is £300,000. Should a car park be created the anticipated revenue stream would be £50 – £60k and this would be an alternative parking location when the University development progresses on Caldew Riverside.
- (vii) Should the James Street pools be closed/demolished and the Sands complex be built there would be a modest reduction in current water space.

This supports the need for additional water capacity and there are several potential schemes currently being considered elsewhere in the City i.e. Morton Academy, former NCTC site etc.

- 1.10 Having taken all these issues into account it is the view of the Project Board that subject to funding being available, the preferred solution would be to proceed with the pool complex at the Sands.

CAPITAL/REVENUE COSTS

- 1.11 Based on the current stage of design and on indicative apportionment of costs the capital estimates for each component, at the Sands are as follows:-

Works to existing Sands building	£1.246
Sports Hall	£1.781
Gym alterations/extension	£1.054
University Accommodation	£4.613
Pool Complex	£4.635
External Works	£0.667
	£13.996 million

- 1.12 These costs include preliminaries, a contingency provision, professional fees and statutory fees. The development of the detailed design will enable the quality of the cost estimates to be improved, and greater certainty will enable the contingency provision to be reviewed. The price base assumed is Spring 2010.
- 1.13 On the basis that the University of Cumbria fund the capital costs for the accommodation an indicative apportionment of costs have been undertaken. Should the scheme progress then a fair and equitable apportionment of costs will need to be undertaken once the detailed design has been completed. However this initial work identifies:-

University of Cumbria School of Sport	£4.780m
Carlisle City Council	<u>£9.216m</u>
	£13.996m

- 1.14 Based on an initial programme the profile of City Council expenditure based on these initial costs would be:-

2009/10	£150,000
2010/11	£1.65m
2011/12	£5.59m
2012/13	£1.78m
2013/14	<u>£50,000</u>
	£9.22m

Should the Council wish to proceed with the project then until such time as the detailed design is completed it would be considered prudent to budget for a Council capital cost of £10m.

- 1.15 There are two items of additional costs associated with the project which have not been included:-

- Minor works at the Sheepmount which will be fully funded by the University
- Demolition of the newer building at James Street (excluding the Turkish Baths) and creation of a temporary car park – refer para 1.8 - £300,000

- 1.16 The capital costs identified assume that the whole scheme is built. Should the Council decide to proceed without incorporating the Pool complex then the overall cost would be £9.37m. The capital cost to the University works would remain the same and the Council capital requirement would be £4.646m. However, as set out in para 1.9 (ii) there will be a requirement for investment at the existing pools of up to £1.5m over the next 5 years.

In addition an option was considered to construct the Sports Hall, University accommodation etc. now and do so on the basis that the Pools complex may be added at a later date i.e. phased development. The Consultants advise that without taking any inflation into account that this would increase the overall costs by approximately £1.4-£1.6m.

A more detailed breakdown of the estimated costs are included elsewhere on this agenda

- 1.17 As outlined earlier in the report specialist consultants were appointed to assess the operational revenue impact of this project. They worked closely with Carlisle Leisure Ltd to assess the operational revenue impacts. The detailed report is

available and because of a number of variables a range of figures have been provided.

Based on an average of the first 10 years of operation the forecast reduction in the annual management fee payable to CLL would be as follows (it should be emphasised that in the initial years of operation the figures would be lower).

	Prudent	Estimated	Optimistic
Project without pool complex	£80,000	£100,00	£120,000
Project with pool complex	£190,000	£250,000	£290,000

- 1.18 The other potential revenue impacts relate to car parking. Taking into account the existing capacity/usage levels at the Sands then the potential lost income at the Sands Car Park would be approximately £2,000/year (on the assumption parkers do not use other City Council pay and display car parks).

Should the Council progress the option to demolish part of the existing Pools site in James Street then approximately 119 parking spaces could be created. Assuming 70% usage this could generate £50-60,000/year income. The usage levels would be influenced by development on the Caldew Riverside site and closure of the Upper/Lower Viaduct car parks. An indicative layout is included as Appendix 2.

At this stage the Building Maintenance costs are considered to be neutral. Internal maintenance is included within the contract with Carlisle Leisure Ltd and reflected in the operational costs set out in para 1.17.

PROGRAMME

- 1.19 A copy of a potential project programme is included in Appendix 3. The key driver to the timescale is a requirement from the University for their facility to be available for the start of the academic year in 2012, which can be achieved. Other factors include:-

- Detailed design and planning approval required April/May 2010.
- Minimise disruption to scheduled events and existing activities at the Sands during the works.

- 1.20 The Council would need to provide a clear statement of its commitment to the University if it wishes to proceed with the project by November 2009. They would need to pursue alternative options for the School of Sport if the Council do not wish to proceed.

UNIVERSITY OF CUMBRIA

- 1.21 Discussions to date with the University indicate that the development of the School of Sport at the Sands, and Sheepmount, is a high priority in their development proposals. A letter from the University is included as Appendix 4.
- 1.22 Should the project proceed then the Council would need to enter into a formal agreement with the University for the construction and management of their facility. The City Council would also need to consider any agreement alongside its Leisure Management contract, currently delivered by Carlisle Leisure Ltd until 2017.

A range of options have been identified and these will need to be assessed in more detail through the project development. These include:-

- The Council would fund the capital costs of the School of Sport development and lease back the asset to the University – from an operational and long term perspective this would be the preferred solution.
- The University could fund their capital costs and the Council provide a long lease of the freehold at a peppercorn rent cost allocations in the report.

There are a range of factors which would need to be assessed in detail before coming to a final decision, not least of these could be VAT.

The services/facilities management agreement would be between the Council and the University. The Council would then need to consider incorporation of these within the Leisure Management contract.

CARLISLE LEISURE LTD

- 1.23 Again Carlisle Leisure Ltd have been actively involved in the preliminary work for this project and their Board strongly support the development.
- 1.24 At the present time it is suggested that the changes to the Leisure Management contract with Carlisle Leisure Ltd brought about by this project would be dealt with as a variation to their existing contract. This has been the format adopted for other

changes by facility development in recent years i.e. Tennis Dome, All Weather Pitch at the Sheepmount. The financial impact of this variation would be reflected in the management fee (indicative figures included in para 1.17).

- 1.25 The current contract with Carlisle Leisure Ltd expires in 2017 and the Council will need to consider its strategic approach to the service for the future. The original contract format was, at the time, very much a traditional style. The use of performance specifications and a commissioning format have developed in recent years and discussions with Carlisle Leisure Ltd are ongoing to assess the potential of this approach. The outcome of this work may influence the arrangement with CLL but this is a separate area of work with a different timescale.

RISK REGISTER

- 1.26 A preliminary risk register has been prepared for the project and is included as Appendix 5.

The higher risks identified are:-

- Should the Council wish to proceed with the project there would be a significant demand on the Council's capital resources. Difficult decisions would need to be made on funding priorities and a firm commitment to generate receipts if required. The Director of Corporate Resources will comment on this in more detail.
- Whilst all relevant bodies have been consulted through the preliminary design development progress would be dependent on Planning approval and the implications of addressing any associated conditions.
- Progress is dependant upon the successful negotiation of contract variations with Carlisle Leisure Ltd.

The medium level risks would in the main be addressed through the detailed design and cost plan.

SUMMARY

- 1.27 This report summarises the outcomes from the feasibility study commission to assess the potential for development at the Sands in conjunction with the University of Cumbria.

In deciding the way forward Members need to consider the benefits which can be delivered and their contribution to corporate priorities. They do appear to be significant, delivering an updated, flexible, cultural and sports facility and conference venue for Carlisle and its community of regional status. It also demonstrates tangible evidence from both the Council and the University of their commitment to develop facilities to attract students to Carlisle. The implications of proceeding with a project of this scale are significant on the financial resources of the Council and will require decisive action to address.

1.28 Should Members wish to proceed then a decision is required on if the pools complex should be incorporated into the Sands project. The issues associated with this are set out in para 1.8.

1.29 If the Council agrees to support the project then the next steps would be:-

- Commission Architects to develop the design and submit a Planning Application (to RIBA stage D).
- Progress the heads of terms/agreements with the University and CLL.
- Clarify the funding arrangements and implications for the Council.
- Respond to the outcome of the grant application to the Government Pool Modernisation Fund.

This work would be completed by April/May 2010 and enable final decisions to be on the project and its funding. The contribution from the Council to progress this would be £150,000 (with a pro-rata contribution from the University). Note that this funding would be lost if the project were not to subsequently proceed.

2. CONSULTATION

2.1 Consultation to Date.

University of Cumbria, Carlisle Leisure Ltd, statutory bodies.

2.2 Consultation proposed.

As above plus :-

Scrutiny Committee

Swimming Clubs

Other Stakeholders

3. RECOMMENDATIONS

It is recommended that:-

1. The Executive decides if it wishes to pursue this project, and if so defines the scope from the options set out in the report.
2. The Executive advises the University of Cumbria of its position.
3. Should the Executive wish to pursue the development it authorises Officers to commission further work and to submit a Planning Application and to report back to Executive in April 2010.
4. Council be requested to approve a supplementary estimate of £150,000 to facilitate the project development.

4. REASONS FOR RECOMMENDATIONS

This project has some significant benefits for the City and would be the largest project undertaken by the Council for many years. It makes some major contributions to corporate priorities. The associated funding issues are substantial and would require some major decisions by the Council to deliver.

5. IMPLICATIONS

- Staffing/Resources – At this stage the project if progressed, would be a priority for existing staff. The supplementary estimate would enable additional capacity to be procured where necessary and the cost estimates include provision for project management.
- Financial – See Report CORP 42/09 on the agenda of this meeting.
- Legal – The content of the report deals with the requirements to enter into or vary legal agreements with both the University and Carlisle Leisure Limited. Throughout the project, procurement must be carried out in accordance with both the Council's Constitution and the Public Contracts Regulations of 2006. Matters to be taken into account at this stage in this regard are the estimated cost of taking the project to stage D and/or whether the amount should be properly included in an overall estimate for the cost of the project. Further work will therefore need to be undertaken to ascertain whether and how any contractual and procurement arrangements proposed can legitimately be undertaken within the statutory and internal governance arrangements mentioned above.

In terms of the power to pursue the project the Local Government Act 2000 (Section 2) provides that the Council has the power to do anything which it considers likely to achieve the promotion or improvement of the economic, social or environmental well-being of its area. The power may be used in relation or for the benefit of the whole or any part of the community or all or any persons present or resident in the Council's area. The Council is able to incur expenditure; enter into agreements or arrangements with any person; and, provide staff, goods, services or accommodation to any person. In exercising the power, the Council must have regard to its Community Strategy and guidance issued by the Secretary of State. In addition, Section 2 of the Local Authorities (Land) Act 1963 gives the Council powers to develop land, combined with Section 111 of the Local Government Act 1972 which gives the Council power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions. These powers in combination should be sufficient to enable the Council to carry out the development and apply for any planning permissions which may be required.

- Corporate – This project has the potential to make a significant contribution to corporate priorities. The financial implications are also significant and need to be considered fully in the context of the Council's Medium Term Financial Plan.
- Risk Management – See Appendix 5.
- Equality and Disability – The detailed design would seek to address these issues.
- Environmental – The preliminary design incorporates a range of features to reduce the carbon footprint.
- Crime and Disorder – Secure by Design principles would be incorporated into the design.
- Impact on Customers – Any construction works would have a short term impact on existing activities at the Sands, however this would be minimised through the programme and phasing of the work. The completed scheme would enhance the sport and cultural offer in Carlisle.

SUMMARY OF APPENDICES

- Appendix 1 - Architects Images
- Appendix 2 - Possible layout of car park at James Street
- Appendix 3 - Project Programme
- Appendix 4 - Correspondence from the University of Cumbria
- Appendix 5 - Risk Register



School of Sport - night & day



The Sands Centre, Carlisle Stage C Report

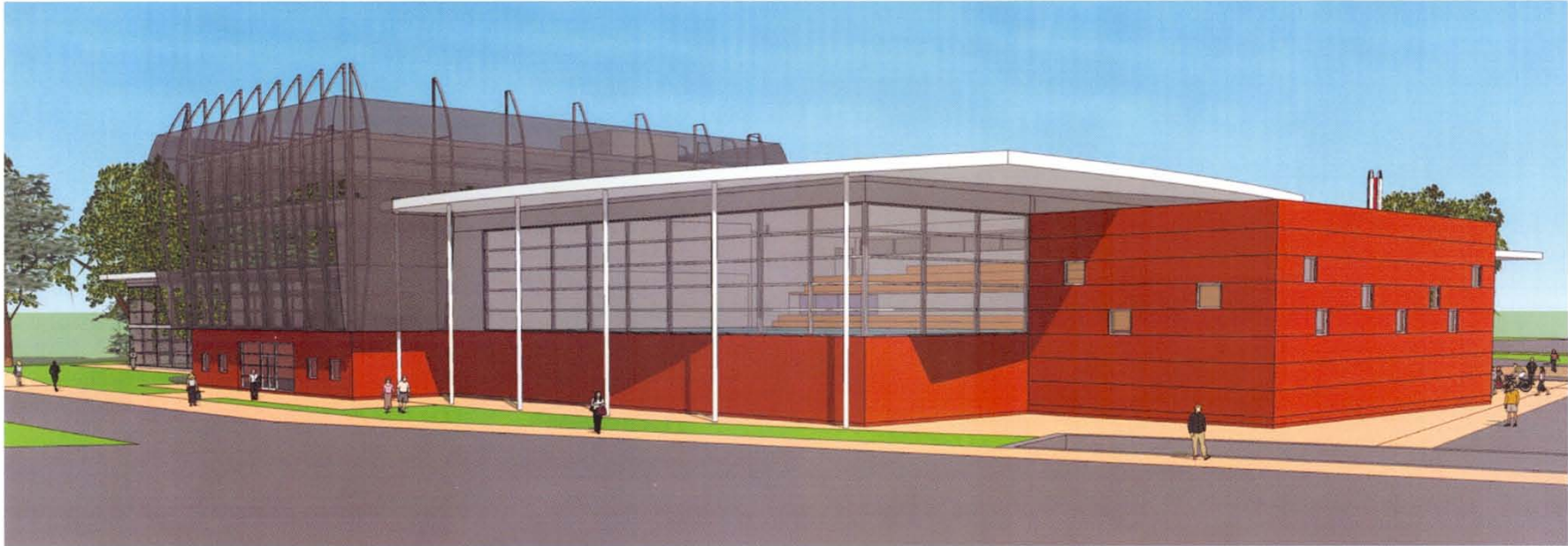




Ariel view of The Sands Centre Development from the north west

The Sands Centre, Carlisle Stage C Report

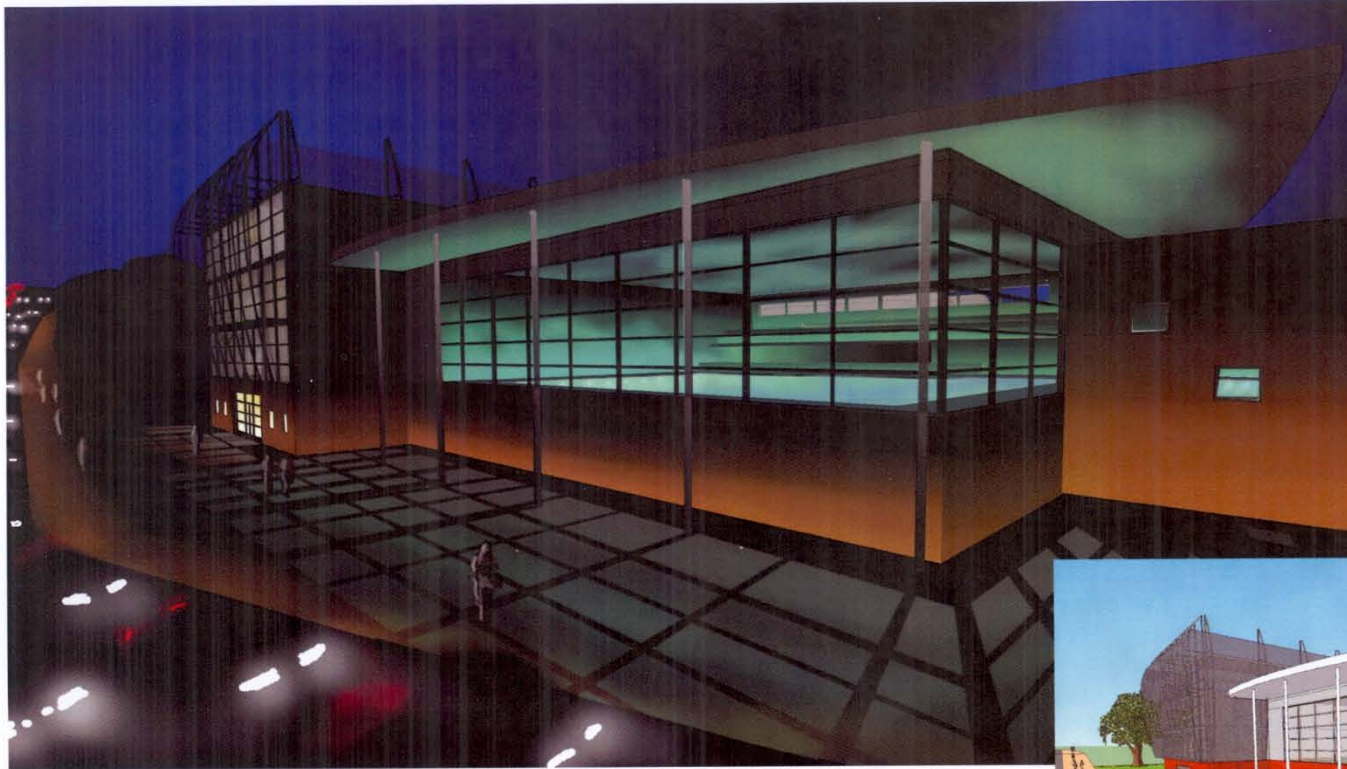




Proposed Gym, School of Sport & Swimming Pool Complex from Hardwicke Circus

The Sands Centre, Carlisle Stage C Report



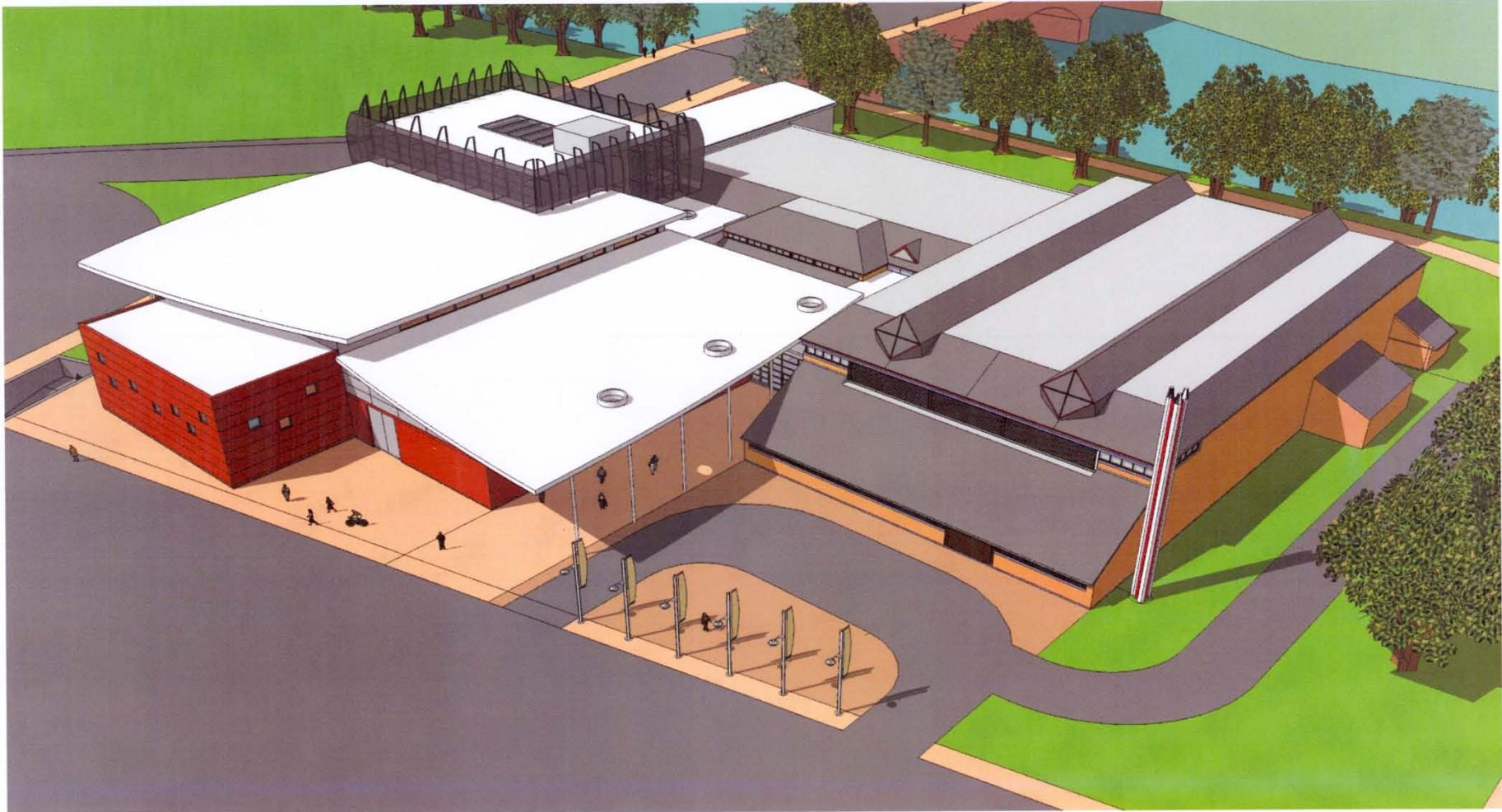


Swimming Pool Complex - night & day



The Sands Centre, Carlisle Stage C Report

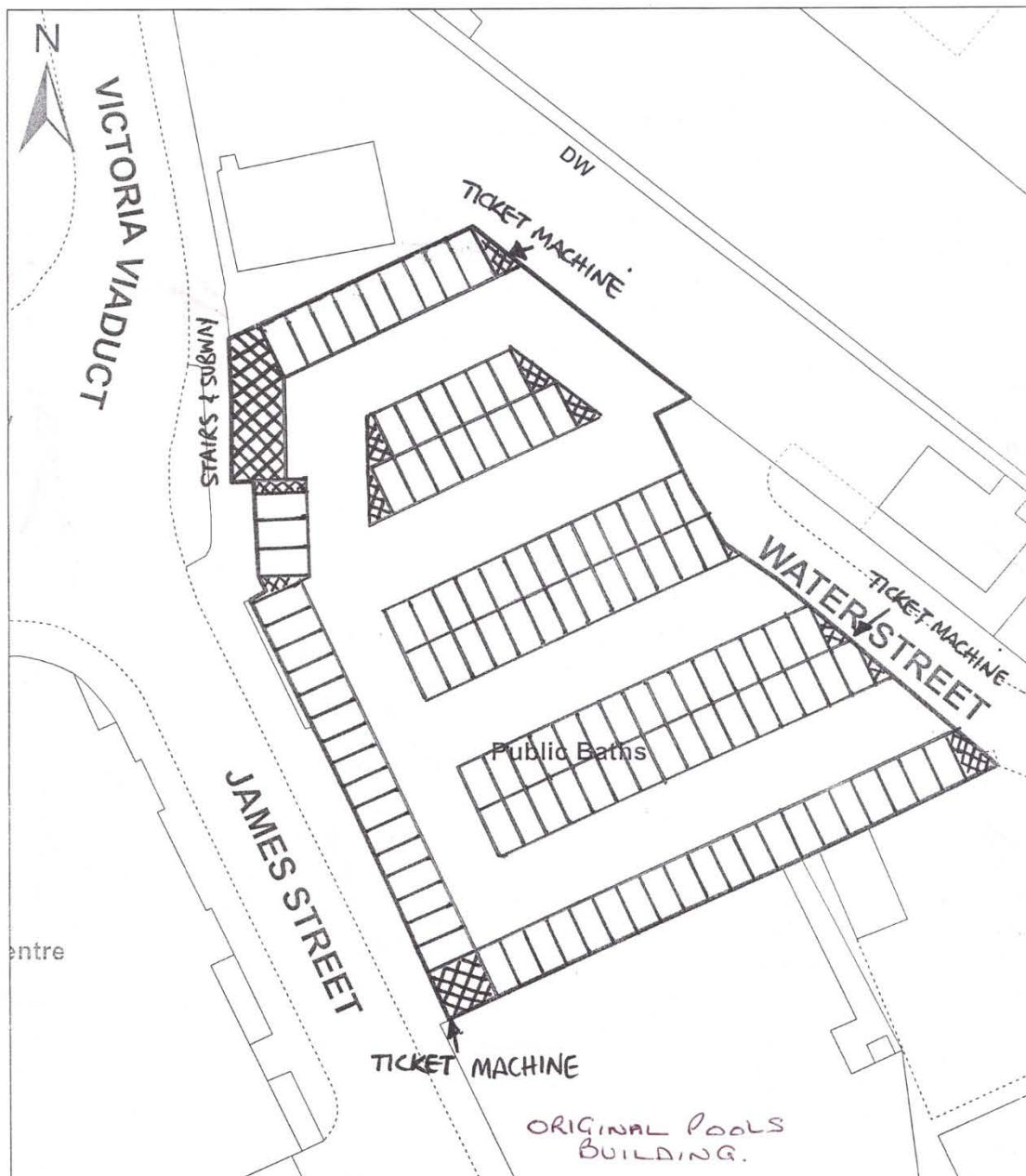
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PLUS



Ariel view of The Sands Centre Development from the south east

The Sands Centre, Carlisle Stage C Report





 PROPOSED EXTENT
OF CAR PARK

119 SPACES

CARLISLE CITY COUNCIL

JAMES STREET
CAR PARK



Civic Centre
Rickergate
Carlisle
CA3 8QG

Scale: 1:500

Date: 6/06/2005

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Carlisle City Council LA 0100024459. 2005.

Procurement & Design Phase

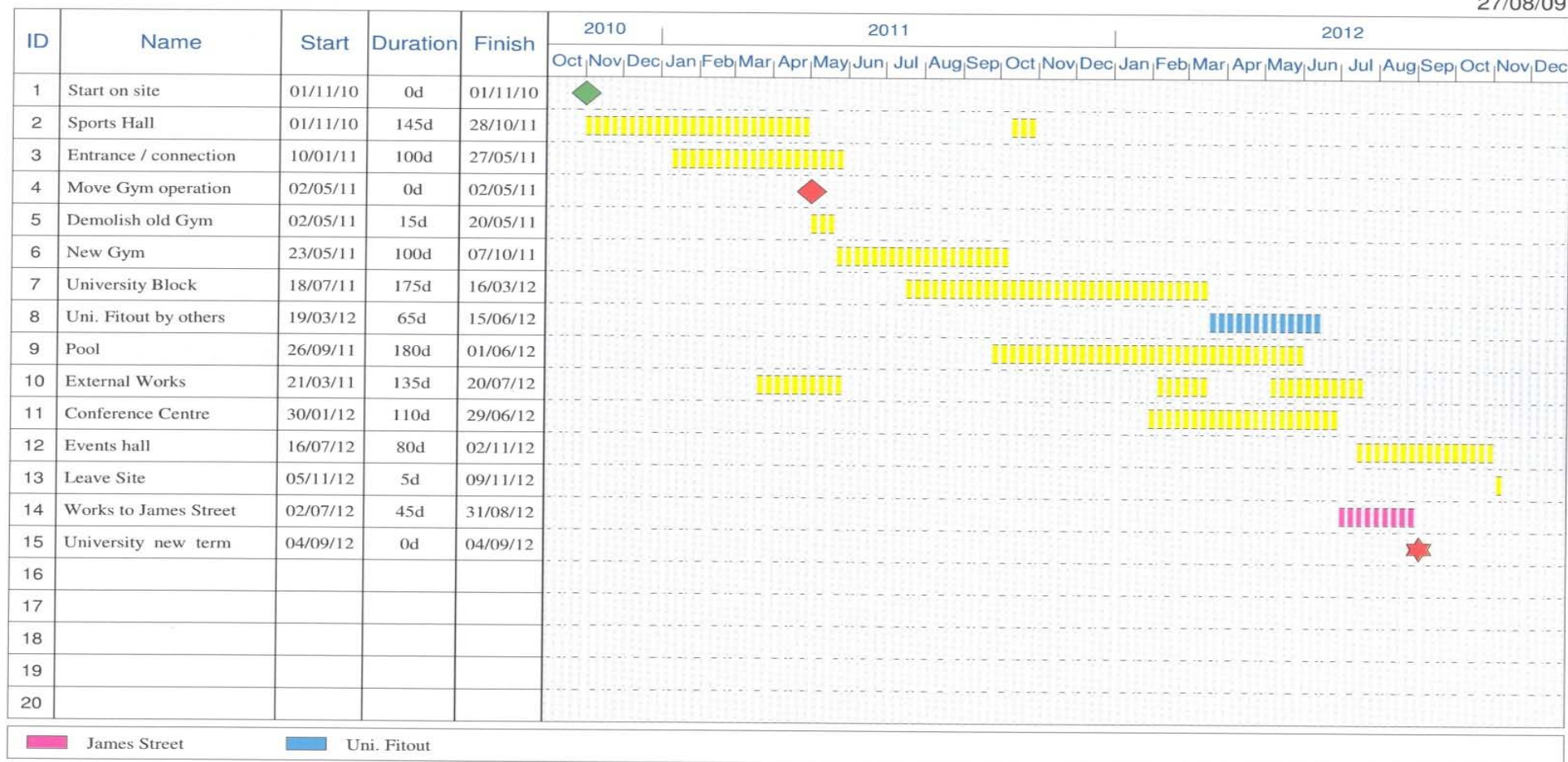
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ID	Name	Start	Duration	Finish	2009					2010										
					Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	Prepare Report for Exec.	19/08/09	36d	07/10/09																
2	Issue report to Exec.	08/10/09	0d	08/10/09																
3	Executive Meeting	16/10/09	0d	16/10/09																
4	Sands Launch	08/10/09	0d	08/10/09																
5	Full Council	10/11/09	0d	10/11/09																
6	Planning & Submit	11/11/09	108d	09/04/10																
7		09/04/10	0d	09/04/10											LATEST DATE FOR STAKEHOLDER AGREEMENT & FINAL APPROVAL					
8	Planning Approval by	09/04/10	0d	09/04/10																
9	Oject Procurement	14/12/09	86d	13/04/10																
10	Prepare Tender Docs.	12/04/10	65d	09/07/10	ASSUMES PLANNING AND FUNDING IN PLACE															
11	Tenders Out	12/07/10	0d	12/07/10																
12	Tender Period	12/07/10	30d	20/08/10																
13	Review and award	23/08/10	20d	17/09/10																
14	Contract Award	20/09/10	0d	20/09/10						ASSUMES TENDER WITHIN BUDGET										
15	Mobilistaion	20/09/10	30d	29/10/10																
16	Watermain Diversion	11/10/10	15d	29/10/10																
17	Main Works Start	01/11/10	0d	01/11/10																
18																				
19																				
20																				

Sands Centre Development

Draft Construction Phase Programme

27/08/09





Maggie Mooney
Town Clerk and Chief Executive
Carlisle City Council
Civic Centre
CARLISLE CA3 8QG

5 October 2009

Dear Maggie

Sands Centre Development

Following a meeting of the Carlisle city Council's Sands Centre Development Steering Group held on 4 August 2009 at the Sands Centre and a subsequent meeting that Peter Nixon had with Mike Battersby, the University of Cumbria reaffirms its full support, articulated in a Letter of Intent dated 30 January 2009 and signed by both parties, for joint working arrangements to develop sports facilities at the Sands Centre and the Sheepmount.

The University consider this project to have a high priority within our masterplan for development. The scheme integrates our aspirations for the School of Sport with facilities for the wider community. It will provide a very visible statement of intent of our partnership approach with an iconic design at a very prominent location. The whole development will, in our opinion, widen the offer of facilities and make Carlisle more attractive for both existing and future students.

The joint work completed to date has produced a project of regional significance and the University is committed to developing this further through the detailed design and delivery together with the associated agreements. Whilst detailed costings have to be progressed I can confirm that the Strategy and Resources Committee of the Board is aware of the indicative cost of around £5m and will submit a formal recommendation to the Board once detailed costs and approvals from the City Council are confirmed.

In restating its support, the University is pleased to be progressing this unique partnership with Carlisle City Council that should enhance the sport, health and active lifestyle provision in the city for the benefit of the public and its University students.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter McCaffery".

Professor Peter McCaffery
Vice Chancellor & Chief Executive

Sands Centre Carlisle – Carlisle City Council – Corporate Risk Matrix

APPENDIX 5

RISK / ISSUE	DESCRIPTION	POTENTIAL OUTCOME LIKELIHOOD(*1)	IMPACT (*2)	RISK (Impact x Likelihood)	ACTIONS TO MITIGATE RISK
Funding Procurement	City Council unable to secure £10m Capital funding to resource the scheme to required expenditure profile	2	4	8	Budget requirement currently 10% more than cost estimates to provide some flexibility. Major variable is the receipts from asset disposal. Expenditure profile provides 2 years for this to be achieved
Revenue Savings	Failure to deliver forecast revenue savings	2	3	6	Specialist consultant produced operational business case with input from Carlisle Leisure Ltd
University withdraw	University of Cumbria withdraw commitment to Sands location/Carlisle	1	3	3	Letter of intent / commitment received from University Some of overall key objectives not achieved but still a number of Carlisle City Council priorities achieved by delivery of other components
Transformation disruption	Current transformation within Carlisle City Council may disrupt progress / programme	2	3	6	Key project manager post included in cost plan. Council must identify Officer & Member Project Champion to ensure leadership & direction continuity.
Pool Development	Detrimental impact of closure of the existing James Street Pool	2	2	4	The existing pool site is included in the medium / long term master planning exercise for the University. Short term – temp parking – to offset loss on Caldew Riverside.
Construction Programme	Project not completed on time for University term start	1	4	4	Programme accommodates 6 months float up to University opening deadline of September 2012. Phases agreed with Carlisle Leisure Ltd producing minimal disruption.

*1 – Likelihood of happening measured on a scale of 1-4 where 1 = unlikely; 4 = very likely

*2 – Impact (how severe are the outcomes) measured on a scale of 1-4 where 1 = Low; 4 = High

RISK / ISSUE	DESCRIPTION	POTENTIAL OUTCOME LIKELIHOOD(*1)	IMPACT (*2)	RISK (Impact x Likelihood)	ACTIONS TO MITIGATE RISK
Adverse Public Reaction/ community objection	Negative public reaction to the proposed scheme.	2	3	6	Communication strategy will/ has been developed in conjunction with Partners. Any initial concerns reported back to project team / Committee.
External Funding	The application for government support from the pool modernisation fund is unsuccessful	3	1	3	Application made in September with outcome imminent. Current cost plan assumes no support is achieved. Further external funding opportunities being explored.
Cost Certainty.	Cost increase as Project Develops / progresses	2	3	6	Estimated costs developed to stage C with further reviews up to planning and tender stage. Progressive independent advice from QS consultants 6% contingency in cost plan Partners identify minor changes anticipated.
Economic changes	Uncertainty caused by short term economic situation and potential recovery during Project timescales	2	2	6	Contingency included in Cost Plan. 0.5% Inflation factor include in cost plan ,up to 2010 Project likely to stimulate local construction sector.
Construction challenges	Uncontrollable / unforeseen construction challenges	2	2	4	Information / experience from previous Sands construction. Water main diversion – consultation taken place with U.U. Design reduces excavation (i.e. swimming pool above ground)
Parking	Loss of car parking spaces & income	2	2	4	Embraces emerging Parking Strategy. Transport assessment is part of planning submission – anticipated impact minimal.

***1 – Likelihood of happening measured on a scale of 1-4 where 1 = unlikely; 4 = very likely**

***2 – Impact (how severe are the outcomes) measured on a scale of 1-4 where 1 = Low; 4 = High**

RISK / ISSUE	DESCRIPTION	POTENTIAL OUTCOME LIKELIHOOD(*1)	IMPACT (*2)	RISK (Impact x Likelihood)	ACTIONS TO MITIGATE RISK
Planning Permission not obtained	Failure to obtain Planning permission for scheme.	2	4	8	Consultants have progressively sought advice from various bodies including Planning, Highways etc during initial stages. Final approval of budget once planning approved
CLL disruption	Disruption to CLL during construction phase	3	2	6	Phasing of project elements in agreement with CLL
CLL contract agreement.	Failure to reach agreement with Carlisle Leisure Ltd	2	4	8	CLL have been active partners up to current stage and represented on Sands Strategic board. CLL have Board approval in principle. Initial proposals will be variation on contract with CLL pending more fundamental appraisal. CLL are contributing in respect of reduced Management fee – confirming commitment.

*1 – Likelihood of happening measured on a scale of 1-4 where 1 = unlikely; 4 = very likely

*2 – Impact (how severe are the outcomes) measured on a scale of 1-4 where 1 = Low; 4 = High

