

# Dartmouth Indoor Pool Questions

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## Construction Price

Background – The anticipated cost of construction was £1.95M. The tendered price for the pool has come in at £2.17M. The contract type is “fixed price” but in reality, there is no such thing and the price may go up further during construction.

***“Is the Trust sure that it can afford to build the pool, given the construction price is £200k more than anticipated?”***

***“What will the Trust do if something happens during the course of the construction which puts the price up?”***

***“Given that Sport England figures a 4 lane pool and learner pool should cost £3M, what has the pool done to make this pool £1M less expensive?”***

## Bond:

Background – The pool site is SHDC’s, and the Trust have limited finance. If the build ceases part way through SHDC end up with a half finished project on their land to either finish or remove. Normally this would be covered by a bond between the Trust and SHDC of 10% (£210,000). The Trust are unable to provide a bond as they have no assets to back it with. A surety of £75k from a private source has been offered, which is the best we can hope for.

***“What indemnity or bond has the Trust offered to SHDC in case the Trust becomes insolvent during construction?”***

## Business Case:

Background – The Trust commissioned the ASA to provide a business case and then updated it 2013. It has been reviewed by our leisure experts RPT. The business case is predicated on a shared management model with the existing leisure centre, £20k of fund raising per annum and volunteer workers (in part). RPT raised significant risks with all of these:

***“How will the Trust guarantee to be able to raise the required operational subsidy of £20k year on year, and what happens if they can’t?”***

***“The use of volunteer staff is a key part of the operational business model, that is probably achievable during summer months, but how will it be achieved during the winter?”***

***“The current business case shows a reduced utilities and staffing cost compared with the 1<sup>st</sup> issue, as more realistic usage figures were used. However, staff and utilities costs are linked to opening hours, not usage numbers, so how is this justified?”***

***“How will the shared management solution with the existing facility work in practice, is the Trust looking to a third party to run the pool? Is the lack of a physical link between the two buildings an issue in this regard?”***

## **Timeline**

Background – the Trust feel they have been fighting an uphill battle with SHDC all the way with the pool. In fact, the Trust only fulfilled the conditions of their grant when they got the final tender price for the build, which was in early May.

***“Why does the Trust continue to imply that SHDC have always delayed this project, when getting a tendered price for construction was a condition of the grant, which was achieved only this month?”***