

10.13.North Sydney Olympic Pool Redevelopment Project Update

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ENDORSED BY	Therese Cole, Chief Executive Officer
ATTACHMENTS	1. CONFIDENTIAL - NSOP Redevelopment Report 8 December 2025 [10.13.1 - 12 pages]
CSP LINK	Outcome 3 – An active community with space for everyone to exercise and enjoy the outdoors O3. Provide new and upgraded facilities within existing public spaces to increase amenity, accessibility and diversity

PURPOSE:

The purpose of this report is to provide Council with an update on the North Sydney Olympic Pool Redevelopment Project.

EXECUTIVE SUMMARY:

- Significant progress is continuing across the site, with works transitioning from construction to the testing and commissioning phase. Council's consultant team and operational staff are now in the process of reviewing operation and maintenance manuals and witness testing.
- The program has experienced further slippage and Council's Contractor (Icon) are advising of a forecast date for Practical Completion of 5 January 2026. The revised contractual date for Practical Completion for the project is 19 July 2024, and the Superintendent is currently assessing an Extension of Time claim for two days for inclement weather.
- Due to program slippage, Council is required to extend key consultants until 30 January 2026, at a total cost of \$404,948 (excl GST).
- Council's consultant Programmer is suggesting that Practical Completion (PC) is more likely to occur in mid-February 2026.
- The number of quality matters across the project has risen from 82 to 109 since the last report to Council.
- The revised construction contract sum is currently \$92.52m, and whilst project expenditure currently remains within the \$122m budget developed in February 2024, there are a significant number of variations that are either under assessment or that have not been agreed, along with variation claims that are known and yet to be submitted, and further variations to be advised. These variations and the required extension of consultancies and insurance will place pressure on the allocated budget for this project.

RECOMMENDATION:

- 1. THAT** the meeting be closed to the public in accordance with Section 10A (2):
(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and because consideration of the matter in open Council would be, on balance, contrary to the public interest as it would affect Council's ability to obtain value for money services.
- 2. THAT** the confidential report and related attachments be treated as confidential and remain confidential unless Council determines otherwise.
- 3. THAT** Council note the contents of this report in relation to the redevelopment of the North Sydney Olympic Pool.
- 4. THAT** Council authorise the Chief Executive Officer to extend the agreement with Brewster Hjorth Architects Pty Ltd for Design Services to 30 January 2026 at a cost of \$206,692.20 (excl GST) for the North Sydney Olympic Pool redevelopment using the extenuating circumstances provisions within s55(3)(i) of the Local Government Act 1993.
- 5. THAT** Council authorise the Chief Executive Officer to extend the agreement with the APP Group Pty Ltd for Project Management resources to 30 January 2026 at a cost of \$160,416 (excl GST) for the North Sydney Olympic Pool redevelopment using the extenuating circumstances provisions within s55(3)(i) of the Local Government Act 1993.
- 6. THAT** Council authorise the Chief Executive Officer to extend the agreement with the CPM Pty Ltd for Programming services to 30 January 2026 at a cost of \$9,440 (excl GST) for the North Sydney Olympic Pool redevelopment using the extenuating circumstances provisions within s55(3)(i) of the Local Government Act 1993.
- 7. THAT** Council authorise the Chief Executive Officer to extend the agreement with the Blue Stone Management for Quantity Surveying Services to 30 January 2026 at a cost of \$28,400 (excl GST) for the North Sydney Olympic Pool redevelopment using the extenuating circumstances provisions within s55(3)(i) of the Local Government Act 1993.
- 8. THAT** Council note the extension of Contract Works Insurance for the redevelopment of North Sydney Olympic Pool to 28 February 2026, at a cost of \$204,538 (excl GST).
- 9. THAT** Council note that current total project costs remain within the Forecast Cost to Completion Budget of \$122m developed in February 2024, however there are a significant number of variation claims that are still to be agreed and others that are yet to be submitted.

Background

Construction for the redevelopment of North Sydney Olympic Pool commenced on 9 March 2021. The project scope includes the construction of a grandstand seating 970 people, a 50m outdoor pool, a family leisure pool with splash play, change facilities, gym, creche, a 25m indoor pool, a warm water pool, spa and sauna facilities, an internal café, a retail shop. The redevelopment also includes the reconstruction of the former 'Ripples Cafe' on Olympic Boulevard.

The last formal report in relation to this project was provided to Council on 27 October 2025.

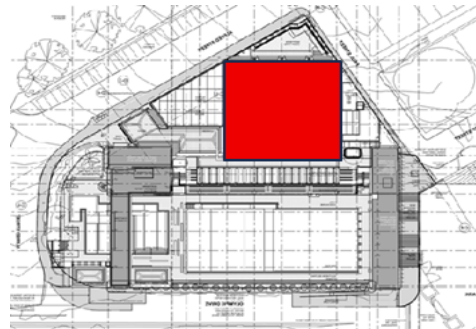
Report

Significant progress is continuing across the site, with works transitioning from construction to testing and commissioning. Council's consultant team and operational staff are now in the process of reviewing operation and maintenance manuals and attending witness testing.

Council's Contractor (Icon) is targeting obtaining an Occupation Certificate (OC) for the facility prior to the end of December 2025. Obtaining an OC is a contractual requirement for achieving Practical Completion.

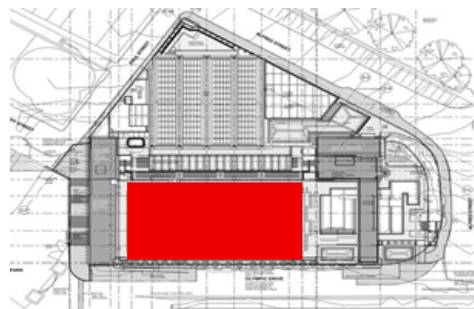
1. Upper Pool Hall (level 3)

Tiling of the indoor pools is now complete; final fit-off and inspection will occur prior to these pools being filled and commissioned. Fitout of the sauna and steam room is substantially complete. Landscape and hardscape works in Hopkins Park (outside the indoor pools area) are close to completion.



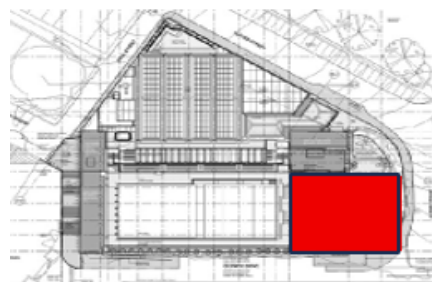
2. 50m Pool Area

Final inspections of the 50m pool have been completed, and the pool is now being filled to enable commissioning and testing of water treatment plant.



3. Leisure Pool Area / Ripples Cafe

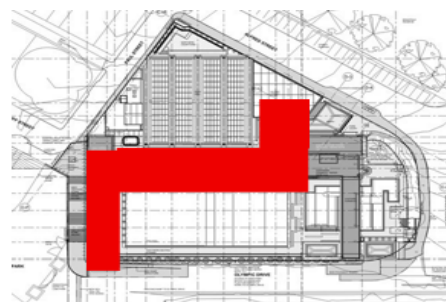
Tiling of the leisure pool and the children's pool are complete, and minor works are being completed prior to final inspection. Final works on the splashplay area are in progress.



Concourse works in this area are also now substantially complete.

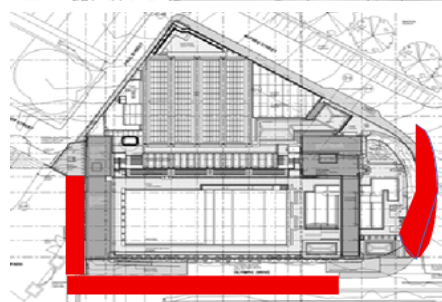
4. Internal Fitout

Fitout of all amenities and change rooms is complete, with some minor fit-off work underway. The timber ceiling and floor to the gym are finished. The installation of glazing to the main entry is yet to be installed due to delayed delivery.



5. External Areas:

Civil works to the outside of the soft landscape works are being finalised and external gates and fencing installation is almost done. All other external civil works are substantially complete.



Contract

The revised contractual date for Practical Completion for the project is 19 July 2024, which includes an Extension of Time that was recently approved for inclement weather. Council's Contractor (Icon) most recent Project Control Group report indicates a forecast date for Practical Completion of 5 January 2026, which has slipped from the previously forecasted date reported to Council, namely 4 December 2025.

The Superintendent is currently assessing an Extension of time claim for two days of inclement weather.

After reviewing Icon's program and completing a recent site inspection, Council's consultant Programmer is suggesting that Practical Completion (PC) is more likely to occur in mid-February 2026.

As previously advised, Practical Completion will result in the formal handover to Council, and it is anticipated that it will take two - three months to commission and operationalise the facility before opening to the public.

52 Requests for Information (RFIs) have been submitted since the last report to Council, taking the total number of RFIs on the project to 2,137. Council's project team are continuing to respond to these in accordance with the requirements of the Contract and have closed a further 51 RFI's since the last report to Council.

The number of quality matters has risen from 82 to 109 since the last report. However, progress to address quality issues continues, with 226 quality issues closed. Council's

project team and consultants are continuing to inspect and document quality issues as they arise.

Icon has submitted 41 variation claims since the last report to Council, taking the total number of variation claims lodged by Icon to 690. There are currently 160 variation claims under assessment. The details of these claims have been included in the confidential attachment to this report.

Council is also aware of a further 89 variation claims worth approximately \$3.5m, which are known but yet to be submitted by Icon. It is anticipated that variation claims will continue until the end of the project due to design and contractual issues.

The revised construction contract sum is currently \$92.52m, which includes 39 variations totaling \$170,555 which have been agreed and closed since the last report to Council. These variations are listed in the following table.

Variation Number	Description	Assessed Amount
313	<u>Wayfinding and Signage (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
324	<u>RW2 Level 2 - 3 (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
364	<u>Cutting to encased concrete columns (Contractor Initiated)</u> Additional blockwork cutting due to adjacent concrete columns increasing in width.	\$2,904
402	<u>CN1335 Gelato Bar Hob Membrane Bandage Rev1 (Latent Condition)</u> Additional waterproofing works to Gelato Bar. Additional waterproofing bandage to the concrete hobs.	\$11,190
408A	<u>D3.01A Changes to 3hr FRL (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
418B	<u>Additional Lead Paint Removal (Frogs) & Re-Painting (Withdrawn)</u> Variation withdrawn by the contractor.	Withdrawn
430	<u>D2.16 Eastern Stair Tower Works (Latent Condition)</u> Clash between the existing concrete lintel and the opening height for the installation of door D2.16 required modifications to the door opening including demolition of existing lintel, installation of new bulkhead, and render works.	\$3,924

463A	<u>Waterstop Angles to Steam Room and Sauna (Contractor Initiated / Design Issue)</u> Stainless steel waterstop angles required to the Sauna and Steam Room which were not originally detailed in the design.	\$2,042
464	<u>RFID Reader Spec - Turnstiles (Design Change)</u> Changes to the turnstile controller locations on Level 3 entry and additional fire trips.	\$11,027
506	<u>L2 Gym Ramp Extension (Design Change)</u> Extension of concrete ramp at the L2 Gym Entry to align with the wall set out.	\$2,545
527	<u>CN1730 Creche & Sundeck Brickwork Wall Setout (Latent Condition)</u> Existing brickwork footing to the Sundeck/Ripples café area found to be in poor condition. Footing demolished and rebuilt as a concrete footing.	\$8,535
529	<u>L3NW S3.34 FHR Hob Setout (Design Issue)</u> Issue with the slab design that prevented the installation of the door to the FHR cupboard in the pool hall (S3.34). Additional works required to increase the size of the existing hob.	\$1,722
542B	<u>Latham Joint to L1 Male & Female HOF Entry (Contractor Initiated)</u> Introduction of a 12mm wide Latham Joint to the Level 1 Male & Female amenities due to floor tiling set out.	\$2,680
542D	<u>Level 3 MJ Changes (Paver Setout) (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
557	<u>Voids to Stair 09 L3 to L4 (Contractor Initiated)</u> Variation withdrawn by the contractor.	\$0
594C	<u>L1 Inwall Cistern Adjustments Due to Revised Fall Requirements (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
598	<u>L3 NE High Level Services Clashes (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
619	<u>Load Bearing BW Keyed into Non-Load Bearing BW (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
620	<u>Lift 1 & Lift 3 Angles & Flat Bars (Contractor Initiated)</u> Variation withdrawn by the contractor.	\$0
628	<u>Alfred Street Existing Boundary Fence Retention (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
629	<u>L3 NE EM2 Grate Joints (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn

632	<u>Concourse & Leisure Pool Backwash Line Sewer & Drainage Points (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
633	<u>D2.11 New Frame, Fire-rating & Hob (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
636	<u>L3 NE P1 Frog Paver Setout (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
638	<u>Western Stair Nosing Strip (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
639	<u>L3 Pool Hall Entry Door Grated Drain Requirements (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
641	<u>L3 Kiosk Ceiling RFIs (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
649	<u>Lift 1 & Wall Gap Infill (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
650	<u>CN2241 Drawing Updates L3 Paving Changes (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
652	<u>Soffit Insulation to S1.47, S1.47a (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
656	<u>CN2242 L3 Finishes Plan Update (MJ's) (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
657	<u>DPC Injection to S1.38 & S1.40 (Latent Condition / NSC Direction)</u> Water and moisture ingress observed in the heritage brick wall along the western concourse (Program Room 1). To limit risk of damage to flooring and finishes in future, NSC requested the contractor install a damp proof course injected at the base of the wall.	\$78,969
658	<u>S3.13 Hose Tap Clashes with D3.13A (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
661	<u>Public Domain Civil Piping Design and Issues (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
662	<u>L1 Programme 2 Revised Lighting Layout (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn

663	<u>CN2242 Drawing Updates (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
664	<u>Accessibility RFI's (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
665	<u>Ripples Café Kitchen Ceiling (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
667	<u>L1 CCTV Footage Update for Tech Memo Discussion (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
669	<u>Eco Edge Composite Garden Edging (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
672	<u>Services Operational Readiness Requirements (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
675	<u>Bin Store Undercroft Louvre (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
677	<u>Level 3 Entry Sculptform Detailing (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
678	<u>D2.16 - Reinforcement Clash with Floor Box (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
678A	<u>D1.04B & D2.17 Reinforcement Clash with Floor box (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
688	<u>Alfred Street Signage (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
690	<u>Lower Roof SS Downpipe Restraint Details (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
692	<u>L3 North Awning Louvre Controller Positions (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
694	<u>Stair 13 Tactiles (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
698	<u>L1NW Fire-rated AP's to Plant Room Riser (Contractor Initiated)</u> Variation withdrawn by the contractor.	\$0

701	<u>Western Stair Bollard Removal & Reinstatement (NSC Direction)</u> Variation relates to removal of a Secura Post bollard installed adjacent to Luna Park as directed by NSC due to complaints made by Luna Park involving their delivery trucks.	\$668
703	<u>Level 3 G3.21 Changes (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
709	<u>L1NE Palm Tree Additional Soil & Battering (Latent Condition)</u> Due to existing retaining wall footing and location of civil stormwater pipework, planters in the Creche had to be lifted requiring build-up of planter level and introduction of a batter.	\$4,810
710	<u>Seawater Top Up Water Point (Design Issue)</u> Installation of additional pipework to connect the cold-water pressure services to the seawater plant room, which was not detailed in the original design.	\$5,473
713	<u>Western Stair Brickwork Void (Design Issue)</u> Additional wall ties and fire protection to steel stiffeners to close off void to western stair wall.	\$4,624
715	<u>EST Smoke Detectors & Distances (Design Issue)</u> Additional smoke detectors required to be installed in the Eastern Stair Tower to comply with minimum spacing distances as per Australian Standards.	\$1,604
719	<u>L3 Pool Hall Latham Joint Earthing (Design Issue)</u> Additional earthing to the Latham Pava joints adjacent to the L3 pool.	\$2,345
724	<u>Suitability of Sikasil FC Around the Pools (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
727	<u>16 of Starting Block Upgrades (NSC Direction)</u> Change of 50m pool starting blocks to customised velocity advantage blocks to suit the Colorado Electronic Timing system.	\$22,890
728	<u>50M Concourse Pool Sealant Change (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
729	<u>PCA Inspection 17.07.25 - Additional Exit Lighting (Design Issue)</u> Additional exit light required to be installed in the airlock of the 50m plantroom entry doors for compliance. This item was identified by the certifier.	\$2,604
739	<u>L2 & L3 Turnstile Side Barriers (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
742	<u>L3 to L4 Pool Hall Blockwork Survey (Contractor Initiated)</u> Contractor has claimed costs to survey the blockwalls they constructed in the pool hall. This variation was assessed as nil and has been withdrawn by the contractor.	\$0

746	<u>L3 Western Stairs Precast Penetration (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
759	<u>FC Ceiling to 50m Plant Room (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
760	<u>Level 2 Hose Tap Position (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
763	<u>Fencing Vehicle Crash Barrier Requirements (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
764	<u>Alfred Street St Pits Telstra & Footpath Levels (Withdrawn)</u> Variation not received. Withdrawn prior to formal Variation Claim being submitted.	Withdrawn
Total Value of Assessed & Agreed Variations		\$170,556

Note: In addition to the above, \$23,398 in variations were approved in the prior month.

Extension of Consultancies

At its meeting of 27 October 2025, Council was advised that key consultancies would need to be further extended to the end of December 2025 in response to Icon's revised Practical Completion date of 4 December 2025. Given Icon's recent advice on Practical Completion, fee proposals have been sought from key consultants until the end of January 2026.

BHA Pty Ltd - Design Services

Brewster Hjorth Architects Pty Ltd (BHA) were initially engaged for design services for the NSOP redevelopment project through tender (34/2018) for which included the engagement of required sub-consultants for:

- Stage 1 - Detailed Design Development
- Stage 2 - Documentation for Development Application and Statutory Approvals
- Stage 3 - Documentation for Tender and Construction Purposes (Issued for Construction).

Council subsequently engaged BHA for Stage 4 (construction) design services due to the 'Construct only' nature of the NSOP redevelopment contract.

At its meeting on 24 June 2024, Council resolved to extend the services of BHA Pty Ltd until early 2025, which was in line with the anticipated time for Practical Completion; using s55(3)(i) of the Local Government Act (1993) (the Act), which enables Councils to forego the requirement to tender in the event of "extenuating circumstances".

At its meeting of 28 April 2025, Council extended the services of BHA Pty Ltd until 31 August 2025, using the "extenuating circumstances" provision within the Act.

At its meeting of 25 August 2025, Council was required to extend the services of BHA until the 30 November 2025, using “extenuating circumstances” provision within the Act

The circumstances were deemed to be extenuating, given BHA have a long engagement with the project, including the development of initial concept design to their current engagement in construction design services. Retendering these services has been considered; however, this would inevitably result in considerable delay and associated costs as an alternative provider would need to expend substantial time and resources to enable them to acquire the same level of understanding of the project. There is also a question in relation to the ability for an alternative consultant to engage subconsultants that have been engaged by BHA for this project, which may impact warranties and certification of design elements for occupancy.

It is proposed to further extend the services of BHA until the 30 January 2026, using the “extenuating circumstances” provision within the Act, which will cost a further \$206,692 (excl GST).

APP PTY Ltd – Project Management

At its meeting of 28 October 2024 Council resolved to extend the services of the APP Group (APP) until May 2025, using s55(3)(i) of the Local Government Act (1993), using the “Extenuating circumstances” provision within the Act.

At its meeting of 28 April 2025, Council extended the services of APP until 31 August 2025 using the “extenuating circumstances” provision within the Act.

At its meeting of 25 August 2025, Council was required to extend the services of APP until the 30 November 2025, using “extenuating circumstances” provision within the Act

The introduction of APP into the project has added significant industry expertise and bolstered Council's project management capacity on a project that is continuing to experience unusually high Request for Information (RFIs) Extension of Time Claims (EOTs) and Variation claims. The total value of variation claims received to date exceeds \$146m. A significant proportion of these claims have been addressed through the work of APP.

APP has also been instrumental in assisting Council in responding to an Adjudication Claim lodged by Icon under the NSW Building and Construction Industry Security of Payment Act 1999 in late 2024. The services of APP will also be essential to Council in relation to other legal action that is currently on-foot in the Supreme Court of NSW.

In addition, a senior representative from APP is now a member of Council's Project Steering Committee, providing construction management and contract advice in accordance with the Independent Project Review undertaken in December 2022.

It is proposed to further extend the services of APP until 30 January 2026 using the “extenuating circumstances” provision within the Act, which will cost a further \$160,416 (excl GST).

CPM Pty Ltd – Programming Services

CPM was initially engaged for programming services for the NSOP redevelopment project through a quotation process in late 2023.

At its meeting of 28 April 2025, Council approved the extension of CPM to 31 August 2025 using the “extenuating circumstances” provision within the Act, noting the anticipated costs would place the total commitment with CPM of above the public tender threshold of \$250k (incl GST).

At its meeting of 25 August 2025, Council was required to extend the services of CPM until the 30 November 2025, using “extenuating circumstances” provision within the Act

CPM has had extensive involvement in the project and has been critical in the assessment of 169 Extension of Time claims that Icon have submitted to date. CPM was instrumental in assisting Council in responding to an Adjudication Claim lodged by Icon under the NSW Building and Construction Industry Security of Payment Act 1999 in late 2024.

The services of CPM will also be essential to Council in relation to other legal action that is currently on-foot in the Supreme Court of NSW.

It is proposed to further extend the services of CPM until the 30 January 2026, using the “extenuating circumstances” provision within the Act which will cost a further \$9,440 (excl GST).

Bluestone Management (Australia) Pty Ltd – Quantity Surveying Services

In October 2019 Council entered into a Contract (9/2020) with BSM to provide Quantity Surveying (QS) services for the North Sydney Olympic Pool (NSOP) redevelopment. The original contract value was \$83,420 (excl GST) with a contingency of \$8,342, approved at the Council meeting on the 23 September 2019.

On the 12 October 2021, the General Manager approved an extension to the original fee proposal of \$4,000 per month (excl GST) for the assessment of variations. At the time it was believed that the project had 16 months remaining until completion in February 2023. This resulted in the total anticipated contract value being increased to \$200,780 (excl GST), which included a contingency of \$6,400 (excl GST).

At its meeting of 25 August 2025, Council was required to extend the services of BSM until the 30 November 2025, using “extenuating circumstances” provision within the Act

The NSOP redevelopment project has been the subject of 690 variation claims with a total submitted value of over \$160m, which does not include the 89 variations that are known and yet to be submitted by Icon, as well as other variations that are yet to be submitted.

The services of BSM have been crucial in the assessment and valuation of the variation claims that have been submitted and those that are still to be submitted, a number of which have been notified and date back to 2021.

BSM have also been engaged to review, assess and certify monthly payment claims, providing assurance to Council in relation to the acquittal of public funds. BSM involvement since 2019 gives them an intimate knowledge of the project and details of variation claims that have been made to date. The engagement of alternate QS to provide these services at this late stage would not be considered good value for money given they would need to avail themselves of project history and all claims to date.

It is proposed to further extend the services of BSM until the 30 January 2026, using the "extenuating circumstances" provision within the Act which will cost a further \$28,400 (excl GST).

Extension of Works Insurance

The report to Council on 27 October 2025 noted the requirement to extend Contract Works Insurance to the end of December 2025. Given recent the recent advice in relation to PC, the impending Christmas period, and the lead time required to prepare information for insurers and the time for their assessment, Council's Contract Works Insurance Policy has been extended until the end of February 2026 at a cost of \$224,992.

Total Costs to Completion

The total project costs remain within the forecast costs to completion of \$122m budget developed in February 2024, which was developed with an anticipated date for project completion of December 2024.

Whilst project expenditure currently remains within budget, there are a significant number of variations that are either under assessment or that have not been agreed with Icon. There is also a significant number that are known and yet to be submitted, and further variations to be advised. These, and the required extension of consultancies and insurance, will place pressure on the allocated budget for this project.