

9.5. North Sydney Olympic Pool Redevelopment Project Update

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ATTACHMENTS	1. CONFIDENTIAL - NSOP Redevelopment Report 11 May 2026 Confidential Attachment [9.5.1 - 14 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:

This report provides Council with an update on the redevelopment of the North Sydney Olympic Pool.

EXECUTIVE SUMMARY:

- All construction works are complete. Council's contractor, Icon, is now focused on finalisation of operations and maintenance manuals, and the rectification of defects.
- Icon has indicated that they will have completed all outstanding items required to achieve Practical Completion by mid-May 2026. This is required to achieve Contractual Practical Completion and formal handover of the facility to Council.
- Preliminary handover of selected areas within the facility has been arranged, enabling Council to commence installation of furniture and fittings. Fit-out works in the gym, program rooms, and staff office spaces are complete.
- There are currently \$11,373,174 of variation claims that are still to be agreed or submitted. This figure represents the value of the variation claimed by Icon and not the amount that will necessarily be agreed or paid by Council.
- The revised construction contract sum as of 31 March 2026 is \$93.6m and total project costs remain within forecast costs to completion of \$122m.

RECOMMENDATION:

1. THAT the meeting be closed to the public in accordance with Section 10A of the Local Government Act:

(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 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.

Background

Construction for the redevelopment of North Sydney Olympic Pool commenced on 9 March 2021. The project scope included the construction of a grandstand seating for 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, sauna facilities, steam room, café and retail shop. The redevelopment also included the reconstruction of the former 'Ripples Cafe' on Olympic Boulevard.

The last formal report to Council was on 23 March 2026.

Report

Onsite Progress

All construction works across the facility are complete. Testing and commissioning of onsite plant and equipment is also complete. Council's contractor, Icon, is now focused on finalisation of operations and maintenance manuals, and rectification of defects required to achieve Contractual Practical Completion and formal handover of the facility to Council.

Design and construction issues that prevented commissioning of the sea water intake pumps have been addressed. A test to demonstrate that the pumps operate within the overall acoustic restrictions for the facility has been successfully completed, and the Principal Certifying Authority (PCA) has now issued the Occupation Certificate (OC) for the facility.

The Superintendent, Icon, and Council's project team are finalising outstanding documentation and coordinating the rectification of defects required to be completed prior to the issue of the Certificate of Practical Completion. The issuance of the Certificate represents the contractual handover of the facility to Council.

Preliminary handover of selected areas within the facility has been arranged, enabling Council to commence installation of furniture and fittings. Fit-out works in the gym, program rooms, and staff office spaces are complete.

Contract

The revised contractual date for Practical Completion (PC) remains 19 July 2024. There are currently no Extension of Time (EOT) claims under review, and the Superintendent has certified Liquidated Damages through to the end of December 2025.

Icon have indicated that they will have completed all outstanding items required to achieve Practical Completion by mid-May 2026.

The project has been the subject of 2,183 Requests for Information (RFIs). No additional RFIs have been submitted since the last report to Council, and no RFIs are currently outstanding. Given the advanced stage of the project, no further RFIs are anticipated.

Since the previous report, the number of outstanding quality matters has reduced from 1,104 to 917. These matters comprise:

- 139 items open and actively being addressed,
- 368 items ready for inspection, and
- 410 items in dispute.

543 quality matters have been closed. The Principal’s Representative, Icon, and the Superintendent are meeting regularly to progress the resolution of disputed defects.

Over the course of the project, Icon has submitted 834 Variation Claims. The status of outstanding and/or unresolved variation claims as at 31 March 2026 is summarised below:

Category	No.	Submitted Value	Assessed Value
Variations assessed but no agreed.	108	\$6,143,085.57	\$1,876,599.81
Variations under assessment	9	\$4,799,088.95	TBC
Forecast variations to be submitted	19	\$431,000.00	TBC
Total		\$11,373,174.52	

It should be noted that the Submitted Value represents the amount claimed by Icon and the maximum potential value, not the amount that will necessarily be agreed or paid by Council. Further information regarding outstanding and unresolved variations is provided in the confidential attachment to this report.

The revised construction contract sum as of 31 March 2026 is \$93.6m, which is the current amount agreed to be paid to Icon. This includes one variation that has been agreed since the last report to Council. The detail of this variation is as follows:

#	Description	Assessed Value
816	Installation of additional hearing augmentation signage (Design)	\$3,142.32

Extension of Consultants and Insurances

In accordance with Council’s resolution of 23 March 2026, agreements with key consultants were extended through to April 2026. All current consultants’ costs remain within the approved budget. As advised in the report to Council on 23 March 2026, consultants are delivering services as required on an hourly rate basis.

In accordance with the Council resolution of 23 March 2026, works insurance was extended to 15 April 2026 at a cost of \$68,521.83. Council’s insurer has advised that after this date the facility can be covered through Council’s building insurance, due to the completion of all construction works. This has been arranged.

Total Project Costs

Total project costs remain within forecast costs to completion of \$122m budget presented to Council 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 unresolved or yet to be submitted as noted previously in this report. These variations will place pressure on the allocated budget for this project.

Legal Matters

Legal proceedings between Council and Brewster Hjorth Architects, and between Icon and Council, are currently with the NSW Supreme Court. Both sets of proceedings are listed for directions on 22 May 2026.