

Bath & North East Somerset Council		
MEETING/ DECISION MAKERS:	Cllr Martin Veal , Cabinet Member for Community Services Cllr Charles Gerrish, Cabinet Member for Finance and Efficiency	
MEETING/ DECISION DATE:	26 May 2016	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2854
TITLE:	Keynsham Land Assembly – Leisure	
WARD:	Keynsham – North, South, East, West	
AN OPEN PUBLIC ITEM		
List of attachments to this report: None		

1 THE ISSUE

1.1 In February 2016 Council approved the Budget report for 2016/17 which contained a provisional approval in the Capital Programme for £2.5 million for the land assembly in Keynsham to enable the purchase of a site for the proposed leisure centre. This report seeks to move this provisional approval to a full approval.

2 RECOMMENDATION

2.1 That the £2.5 million funding provisionally approved by Council in February 2016 for land assembly in Keynsham be fully approved.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 A provisional budget of £2.5m was approved by Council in February 2016 for land assembly in Keynsham.

3.2 Total costs of land assembly are estimated to be £3.4m. This report seeks approval of provisional £2.5m with the remaining £900k funded by workplace budgets already approved.

3.3 The £2.5m of costs will be funded by service supported borrowing, costs of which have been factored in against future projections as part of the leisure contract with Greenwich Leisure Limited (GLL).

3.4 The Placemaking Plan consultation process in 2015 identified the preferred site for the new / refurbished Leisure Centre as the site of the Riverside development in Temple St, Keynsham. The site is owned by B&NES but the 125 year lease was sold to a developer in 1975. The developer still has the

benefit of the remaining 79 years left on the lease. The Council will acquire the remaining lease as part of the land assembly for the Leisure Contract.

3.5 This will move toward fulfilment of contractual obligations with GLL for the provision of a Keynsham leisure site. Without delivery on this there is risk to the contractual arrangements and that the Council's revenue position could be negatively impacted.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 Public Health and inequalities. To deliver the Fit for Life Strategy.

4.2 The Council has the power to acquire the lease under the Local Government Act 1972 and the Localism Act 2011.

5 THE REPORT

5.1 The procurement process for the new leisure contract started in July 2014. This followed the adoption of the Fit for Life Strategy which set out the Council's priorities around physical activity, including the provision of leisure facilities.

5.2 The objectives of the new contract which commenced in July 2015 were to:

- (1) deliver significant investment in the facilities to bring them up to date, addressing the backlog of maintenance issues;
- (2) provide a new facility in Keynsham to replace the current life expired facility;
- (3) reduce the annual cost to the Council;
- (4) provide a much enhanced user experience; and
- (5) support the delivery of the Fit for Life Strategy which seeks to improve the health of our population through encouraging *more people to be more active more often*.

5.3 In March 2015 the Chief Executive, in consultation with Group Leaders, approved the necessary budget to ensure that the Council:

- (1) optimised the financial opportunities to be derived from the Leisure contract; and
- (2) made available the necessary funding to further de-risk the implementation of the project.

5.4 This report was followed by a Cabinet report in September 2015 which stated that "a report for approval to spend for the Keynsham new build will be tabled once a site has been agreed and work has progressed further on this scheme. It should also be noted that there will be a further requirement for

additional budget in relation to the new build centre in Keynsham for essential associated works once the proposal is more clearly defined”.

5.5 The report further clarified that any additional amount would be requested through the normal budgetary process.

5.6 When the leisure contract was initially procured there was no preferred site in Keynsham and the bidders developed their proposals for a notional town centre location. The Council has an obligation to provide the preferred site for the development of the new / refurbished facility. In the interim, consultation has progressed on the Draft Placemaking Plan for Keynsham. The current version of the Placemaking Plan (Pre-Submission draft Dec 2015) states in Paragraph 88 “Evaluation has identified this (Riverside) site as the preferred location for a replacement leisure centre. This would maintain the mixed use offer of the town centre and make efficient use of a brownfield site. Public consultation also revealed a strong preference for providing a new leisure centre here. The exact mix of facilities provided within the new leisure centre will involve further public consultation”.

5.7 Given that the Riverside site is now the preferred location, officers have been negotiating with the owners of the lease to secure the site for development/refurbishment by the Council. These negotiations have been successful and the process for the surrender of the lease has commenced.

5.8 This report is requesting full approval of the necessary funding to purchase the site. A further report will be brought forward for a decision on the options for refurbishment of the existing leisure centre or new build.

5.9 A business case is being developed for the remainder of the site which will pass through any relevant approvals processes at the appropriate time.

6 RATIONALE

6.1 The rationale for these decisions is largely on a value for money basis, having considered the risks to the Council of not taking them, including the risk to the delivery of the project.

7 OTHER OPTIONS CONSIDERED

7.1 None

8 CONSULTATION

8.1 Consultation has been carried out with the Group Leader, Cabinet Members, Strategic Directors, Section 151 Finance Officer, Monitoring Officer, Divisional Director for Project Delivery, Chief Property Officer.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>Sue Green 01225 477562/Derek Quilter 01225 477739</i>
Background papers	<p>February 2016 Council – Report - Budget and Council Tax 2016/17 and Financial Outlook 2016/17 to 2019/20</p> <p>Placemaking Plan, Keynsham – Pre-submission draft December 2015</p> <p>Cabinet Report September 2015 – E2782 Leisure Contract – Capital Approvals and reserve use</p> <p>Cabinet Report Dec 2014 - E2678 Procurement of Leisure Contract</p> <p>Fit for Life Strategy</p>
<p>Please contact the report author if you need to access this report in an alternative format</p>	