

## **Westlands Leisure Complex – Progress Report**

*Assistant Director*

*Service Manager:*

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*Contact Details:*

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### **Purpose of the Report**

This report seeks to provide the Area South Committee with a summary of the progress achieved in delivering the Westlands Leisure Complex Project since the last update presented in July.

### **Public Interest**

1. The Complex has been a locally important and long standing venue regularly hosting a vast array of sporting activities and different events ranging from functions, conferences, meetings, training events, to weddings, ballroom dances, award ceremonies, festivals and live music events.
2. The Complex is wholly owned by AW, and has been traditionally operated as a proprietors club for the benefit of AW employees, their families and associate community members under a formal constitution. On the 12th May AW announced their decision to close the Complex at the end of September 2015. The decision was taken due to increasing costs and the growing subsidy AW has had to make to keep the complex open. Other factors taken into consideration were the impending major investments that would be required to modernise the facilities and declining membership.
3. Recognising the value and importance of the Complex, SSDC and Yeovil Town Council (YTC) met with AW at the beginning of June to discuss its future. At the meeting all parties agreed to carry out a feasibility appraisal to assess the viability of SSDC or another organisation operating the site and continuing to provide a range of sport and leisure facilities for the overall benefit of the community.
4. The District Executive Committee considered the key findings emerging from this and further risk appraisal work at its September and October meetings, and in doing so agreed subject to financial approval by Full Council to seek to negotiate and secure satisfactory terms with AW and other funding partners.
5. As the District Executive only has the delegated authority to approve capital spend of up to 5% of capital receipts the decision to approve the internal loan of £1,865,046 rests with full Council. The full Council subsequently approved a 30 year £1,865,046 internal loan towards the costs of refurbishing the Complex in October 2015.
6. As part of the project governance arrangements, Area South members requested quarterly progress update reports. This report and its supporting appendix seeks to provide Area South Committee with a summary of the progress for the third period ending on 30<sup>th</sup> October 2016.
7. **Appendix 1 for this report is exempt from disclosure or publication under category 3 of part 1 of Schedule 12(A) to the Local Government Act 1972 as amended by Section 1 of the Local Authorities (Access to Information) (Variation) Order 2006 as it may comprise the Council's ability to secure best**

**value through the subsequent commercial negotiations, and some of the information is subject to a Non-Disclosure Agreement with AW.**

### **Recommendation**

That Members note the progress made.

### **Background**

Through previous District Executive and full Council meetings held during October 2015, Councillors agreed:

- a. To authorise the Assistant Director (Health and Well-Being) in conjunction with Portfolio Holder (Leisure, Culture and Well-Being) to:
  - i. Submit and negotiate the Statement of Principles set out in Appendix 1.6 with AW.
  - ii. Seek an annual financial contribution from YTC towards the revenue costs and seek additional financial support from the other adjacent Parish Councils.
- b. Subject to approval by AW of the Statement of Principles authorise the Assistant Director (Health and Well-Being) in conjunction with the Assistant Director (Legal and Corporate Services), Assistant Director (Finance and Corporate Services) and Portfolio Holder (Leisure, Culture and Well-Being) and the Leader of Council to negotiate and finalise the Lease, Funding Agreement and Business Transfer Agreement.
- c. Subject to agreeing terms of the Lease, Funding Agreement and Business Transfer Agreement with AW, and a Funding Agreement with YTC and other funding partners, pursuant to recommendations a. and b:
  - i. Enter into an agreement with AW to take over the management and operation of the Complex for a 30 year term.
  - ii. Approve the use of up to £62,495 of general revenue balances to fund the revenue required to finance the operation of the facility, adding the requirement to the MTFP.
  - iii. Approve the once-off use of up to £89,850 of general revenue balances that may be required to fund the Loan Repayments whilst the Facility Levy scheme is implemented during year 1.
  - iv. Approve the once-off use of up to £60,000 of general revenue balances during the first year from handover to cover the net loss of revenue associated with the planned refurbishment works.
- d. To authorise the Assistant Director (Health and Well-Being) in conjunction with Portfolio Holder (Leisure, Culture and Well-Being) to work with the clubs and individuals supporting the venue and petition to raise further funds towards the overall refurbishment and operating costs.

### **Project Highlights**

A copy of the latest Highlight Report used by the Project Board to monitor stage and project progress, and by the Project Manager to advise the Project Board of any

potential problems or areas where assistance is required from the Project Board is attached in Confidential Appendix 1.

Since the last update report in July, the key progress achieved includes:

#### General:

- Completed Staffing Structure, Job Descriptions, Candidate Specifications, and Grades.
- Agreed the name and logo. Website now being built.
- Drafted car park management arrangements, ahead of tickets going on sale.
- Finalised power upgrade route and substation location with SSE. Cable and trench distance now reduced which will reduce install cost. Transfer of the substation location and wayleave agreement being progressed with SSE and AW, to enable works to commence.
- Demolition planned for band hut, tennis hut, tennis court lighting, and part of the fencing.
- In conjunction with the new Chief Exec, we are exploring the potential use of a consultant to optimise the conference offer and marketing strategy for the conference element of the Business Plan.
- Now operating 24 x 7 site security.
- Scheduled an invitation event on 16<sup>th</sup> November for stakeholders to visit the site, view progress and discuss the latest business plan developments.

#### Conference and Entertainment Complex:

- Completed tendering of the stage lighting and sound systems.
- Identified ICT and Wi-Fi requirements. Service and system specification prepared.
- Refined foyer design. Obtained approval from Wessex Water to build next to the main sewer. Planning application submitted.
- 1Gb fibre infrastructure connection ordered. Entails 713m from Preston Grove NODE.
- ICT Telephone models and solutions for WLC / Octagon Theatre being explored and worked up by ICT.
- Fees and charges have now been set for the Complex.
- Set 27<sup>th</sup> March 2017 as the first diary opening day. Adam Burgan is now actively programming the venue and taking bookings.
- Online conference and meeting room booking / payment system options being investigated.

#### Sport Phase 1 – Sport Hall, Squash and Fitness Centre:

- Asbestos removal complete, old Gardening Building demolished and internal demolitions in progress.
- Finalising AV requirements with LED and M & E Design Team.
- Completed negotiations with LED Leisure Management, and reached agreement subject to Portfolio Holder approval for 4 yr operating deal, under an extension to our existing contractual framework. Contracts to be prepared progressed. First appointments to be advertised in November.
- Over 50% through construction. Completed new drainage, internal walls, steel framework, mezzanine floor, corridor, first fit electrical, sport hall store, sports hall lighting all in place.
- Design refinements completed for 1st floor access ramps, building regulation amendments, and for the position of the stairs and lift within the main reception.
- Tendered and ordered fitness equipment package.

### Sport Phase 2 – New Pavilion:

- Planning permission secured.
- Competed M & E design.
- Tendered scheme. Completed value engineering work within ECB.
- Secured in-principle ECB Offer of £100K. Grant offer conditions currently being discharged.
- Pavilion Asbestos removal. Building demolished and cleared.
- Pavilion, cricket pitch and bowling green lease framework agreed in-principle with clubs.
- Meetings planned with clubs to assist them to form a joint company and prepare a viable business plan to operate those facilities.

### **Project Enhancements**

#### **Financial Implications**

There are no financial implications associated with this report.

#### **Corporate Priority Implications**

The decision to seek to take over the management and operation of the Westlands Sport and Leisure Complex is in accordance with Corporate Plan Focus Four - Health and Communities, where SSDC set out its priority to maintain and enhance the South Somerset network of leisure and cultural facilities.

#### **Carbon Emissions and Climate Change Implications**

There are no implications associated with this report.

#### **Equality and Diversity Implications**

There are no implications associated with this report.

#### **Background Papers:**

Westlands Leisure Complex  
DX September 2015

Westlands Leisure Complex  
DX October 2015

Westlands Leisure Complex  
Full Council October 2015

Westlands Leisure Complex  
DX February 2016

Westlands Leisure Complex  
Special DX May 2016

Westlands Leisure Complex  
DX August 2016

Westlands Leisure Complex  
Area South March 2016

Westlands Leisure Complex  
Area South July 2016