CABINET
THURSDAY 9 APRIL 2015

FLEMING PARK LEISURE CENTRE REDEVELOPMENT PROJECT

Report of the Corporate Director

IT IS RECOMMENDED THAT CABINET:

(1) approve continuing work on the procurement of the construction contractor for the Fleming Park project.

(2) note this report, including progress to date and the future programme for the project.

SUMMARY

This report outlines the progress made for the redevelopment of Fleming Park Leisure Centre including the proposed design of the centre through our architects (AHR), submission of the planning application, the feedback to date from the user group consultative meetings and public exhibition.

There is also reference to the procurement route and the future anticipated timetable and cost for the project. As the development of the new leisure centre is dynamic and relies upon many significant factors, including the granting of the planning application and the appointment of a contractor, Cabinet will be regularly informed as the programme is updated.

Statutory Powers
Localism Act 2011, Section 1

Introduction

1. The new leisure centre project is progressing well. This report demonstrates progress to date alongside future key dates to enable the successful delivery of an outstanding leisure facility for the Borough in 2017. The report also discusses community and stakeholder involvement and consultation, determination of design, procurement processes, financing of the project, project risks and Combined Heat and Power (CHP) provision.

2. The next stage of the process is to gain planning consent and Cabinet are asked to approve the initial work to procure a construction contractor whilst the planning process is undertaken. Cabinet on 7
November 2013 approved an initial budget of £1.5M to take the project to full planning stage and no further funds are sought at this time. Cabinet received a further update on progress in June 2014.

**Progress to Date including Procurement Routes**

3. A change in direction on the procurement route during 2014 moved the Council from an operator led, single stage appointment where the main contractor led team would design and build the centre, to a two stage process. This procurement route offers stronger governance and demonstrates improved value for money.

4. The Council appointed an Architectural team in December 2014 (AHR) through an OJEU compliant procurement process to design the centre.

5. The design of the centre, as submitted in the planning application on 2 April 2015, has been led by AHR. There has been significant input from the leisure centre operator (Places for People), Sport England, user groups and Members to ensure that the needs of all stakeholders have been considered. It is expected that the planning application will be considered by Eastleigh Local Area Committee Members on 2 June 2015.

6. A summary of the facilities the new centre will offer include:
   - The new leisure centre would provide the following sports facilities:
     - One 25m 8-lane swimming pool with viewing gallery
     - One 20m x 10m learner pool with movable floor
     - 15 court sports halls with retractable spectator seating for 500 people
     - Four squash courts with movable walls
     - Fitness suite with spin studio
     - Three multipurpose studios
     - Refurbished AWP to provide a 3G pitch
     - Four new tennis courts (replacing 8 existing tennis courts)
     - Three 5-a-side pitches (refurbishing the existing pens)
     - Café
     - Soft Play
     - Space for three Concessions

7. The OJEU procurement process for the construction team is also underway with the initial advertisement placed in March 2015. The contractor selection will run in parallel to the planning application process. Cabinet are asked to approve the work on the procurement process so that if planning consent is granted, construction will be able to commence soon after. The procurement routes chosen at all stages comply with Contract Standing Orders and have been discussed with the External Auditor, EY.
Consultation and Community Involvement

8. A communications programme has been developed by the internal Communications Unit and is continually reviewed. The programme includes engaging with several internal and external partners, the leisure operator’s staff and several user groups.

9. The AHR team have presented to Planning Policy and Development Management officers before presenting to Member groups including the Council Leader and Portfolio Lead, Eastleigh Local Area Committee, and Fleming Park Consultative Group consisting of Leisure Centre users and access groups.

10. A meeting of the Winchester and Eastleigh Design Review Panel was held at Eastleigh House on 12 March 2015. This group of independent architectural services teams provide comment to planning authorities on the proposals for prominent schemes. The input from the group was very positive and the design was commended as well considered.

11. A public exhibition was held at Fleming Park Leisure Centre from 2-7 March 2015. The exhibition included details of the pre application designs offering the public the opportunity to comment. During the exhibition week 168 responses were received of which 127 were Borough Residents (86 electronic and 82 manual). It is a very busy centre attracting around 1,000,000 visitors a year and although this is a relatively small sample it should still enable us to draw some conclusions.

12. When asked ‘Will the proposed Leisure Centre facility meet your needs?’ 36 % reported it would meet their needs, 0.17 percent said it would not and 24% were not sure. However, it is promising that only 10% of respondents reported that they would use the facility less.

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<th>Percentage of respondents using each facility</th>
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13. The information displayed at the Leisure Centre can now be found in the foyer of Eastleigh House where Customer Services staff are coordinating consultation responses.

Operation of the New Leisure Centre
14. There is a contract in place with Places for People to manage the current leisure centre. This contract ends in 2020. The Council will negotiate a further 20 year contract with Places for People. This will be in two parts. The first element will cover the contractual requirements for the ongoing operation of the centre. The second part will determine the structure of the fixed management fee to cover the Council’s borrowing costs and additional profit/income share.

15. An initial draft document has been produced based on the latest Sport England Toolkit and template documentation. Positive initial meetings have been held with Places for People to determine draft terms within the agreements and these negotiations are ongoing.

**Sport England**

16. A formal Expression of Interest document was submitted by EBC to Sport England for the Strategic Facilities Fund for £2m on 30th January 2015. The aim is for the form to be taken to Sport England panel in April 2015 for a decision to progress to full application. Steve Welch (Sport England) attends the Project Board and is an integral Consultee regarding design decisions to ensure compliant design.

**Combined Heat and Power (CHP)**

17. The intention is to redesign our CHP facility to the benefit of the new leisure centre. The aim is to commission a larger engine that can satisfy the needs of the new leisure centre, the former Civic Offices site and also potentially other surrounding buildings such as the adjacent hotel and the Fire & Police Headquarters. This will need to be considered in detail and reported back to Cabinet before any decision is made.

**Risk Management**

18. There are a number of risks associated with a project as significant as the development of a new leisure centre. The Project Manager maintains an extensive risk log of all known potential risks and this is reviewed regularly at Board meetings. Actions are taken to mitigate risks wherever possible.

**Financial Implications**

19. The development of the new leisure centre is to be self financing. This is to be achieved through the Council committing New Homes Bonus grant income, grant income anticipated from Sport England. The balance will be funded initially from prudential borrowing with the borrowing costs being repaid from the management agreement with the leisure operators.
Equality and Diversity

20. A key element of designing the new centre has been the consideration to accessibility issues for all users. This has included looking at areas such as dimension of doors and equipment, accessible parking, changing facilities and hoist provision. Meetings continue to be held with user groups to ensure that facilities are inclusive and meet the needs of users.

Conclusion

21. The development of the new leisure centre is progressing well. A summary of future key points is as follows:

- Determination of the planning application at ELAC which expected to be on 2 June 2015.
- Procurement processes are being followed to ensure that a suitable construction contractor can be appointed as promptly as possible.
- Negotiations with Places for People are ongoing to secure a management contract
- Work is ongoing to identify the best way to provide an enhanced CHP facility

Alex Parmley

Corporate Director

Date: 18 March 2015
Contact Officer: Paul Phillips
Tel No: 023 8068 8218
E-Mail: paul.phillips@eastleigh.gov.uk
Appendices Attached: nil
Report No:

LOCAL GOVERNMENT ACT 1972 – SECTION 100D

The following documents disclose facts or matters on which this report or an important part of it is based, and have been relied upon to a material extent in the preparation of this report:-

None