

CABINET (LEISURE CENTRE) COMMITTEE**Monday, 14 January 2019**Attendance:

Councillors

Griffiths (Chairman)

Ashton

Warwick

Other Invited Councillors:

Laming

Prince

Others in attendance who addressed the meeting:

Councillor Porter

1. **DISCLOSURE OF INTERESTS**

Councillors Warwick declared a disclosable pecuniary interest as she was a County Councillor and the County Council had awarded £1 million to the project. However she participated in the meeting and voted on items as below, under the dispensation granted by the Standards Committee.

2. **MINUTES OF THE PREVIOUS MEETING HELD ON 18 SEPTEMBER 2018**

RESOLVED:

That the minutes of the previous meeting held 18 September 2018, be approved and adopted.

3. **PUBLIC PARTICIPATION**

Four members of the public and/or representatives of local groups spoke during public participation and their comments are summarised below.

Emma Back (Winchester SALT) expressed concern about the economic and social sustainability of the new centre and uncertainty about whether local sports groups would have affordable access. She also expressed concern that only two companies had submitted tenders for the operator contract. She asked a number of detailed questions as summarised below:

- Could the new centre operate without Council subsidy and would there be an increase in charges?
- Did the preferred bidder have a good track record and would community groups have community use agreements?

- Could community group hirers park for free?
- Would existing staff at RPLC be transferred to a new centre and what was the impact on Meadowside Leisure Centre?
- Would an operator accrue any tenancy or other land rights?

Janet Berry (Highcliffe Community Forum for Action) expressed some concern about the proposal to offer leisure centre users' free car parking as the preference should be to encourage use of public transport. She queried whether the free car parking would be extended to users of KGV playing fields and the University Sports Stadium? She had concerns that this would increase traffic in the local area and negatively impact on local residents.

Jeremy Mortimer spoke as a user of RPLC and expressed concern about the limited consultation with existing users. He suggested that a User Liaison Group might be useful. He stated that the majority of existing users lived within 2.5km of RPLC and would have significantly further to travel to the new centre and queried whether this had been assessed in the business case. Had the requirements of young people travelling independently been assessed? How did the provision of free car parking align with the emerging Movement Strategy and the aim to reduce car parking in Winchester?

Patrick Davies highlighted Section 8 of the report (Environmental Considerations) and considered this should include reference to travel to and from the new centre. He also expressed some concerns about the decision to offer users free car parking in terms of how it would work in practice and the wider implications in terms of running counter to the idea of reducing reliance on cars.

4. **WINCHESTER SPORT AND LEISURE CENTRE - OPERATOR
PROCUREMENT (LESS EXEMPT APPENDIX)**
(CAB3081(LC))

At the invitation of the Chairman, Councillor Porter addressed the Committee and in summary, queried the rationale behind the decision to offer free car parking for users of the centre as this would encourage car use over public transport. She also asked why the bidder was instructed to assume car parking would offer a nil income.

The Chairman introduced the report and welcomed to the meeting Simon Molden (The Sports Consultancy) who gave a presentation on the procurement process. The presentation was available [here](#).

The Head of Programme and Mr Molden responded to the detailed questions raised during public participation as summarised below. In addition, the Head of Programme emphasised he would also continue to respond to other questions from those contributing at this meeting and any others outside of the meeting.

- The contract specification included a requirement that priority would be given to local sports clubs where the majority of their membership lived within the Winchester district;

- Any subsidy requirement would be considered as part of the business case (due to consideration at the next Committee meeting on 11 February 2019).
- An increase in hire charges of 15% was assumed based on last year's charges.
- The current biggest users/ clubs would be given priority for community use agreements.
- Any user of the new centre (including group hire) would be entitled to free car parking.
- Income benchmarking is a standard term recommended by The Sports England and, whilst rarely implemented, offered protection for both parties. It is only activated in certain specified circumstances. RPLC existing staff had all been identified on a list for TUPE transfer eligibility.
- Ongoing discussions were continued with regard to Meadowside Leisure Centre, including the possibility of a four court hall option. Further details would be reported once available.
- The Head of Programme agreed to check with the Legal Team regarding the query about the possible transfer of legal rights to an operator in relation to a lease.
- Car parking management is to be retained by the Council. This will be considered very carefully bearing in mind residents concerns, the impact on users of the Leisure Centre and the sports pitches/ stadium and the relationship with near by park and ride car parking. The impact on existing users of a change in location had been considered carefully and results would be included as part of the consideration of the full business case.
- Some consultation had been undertaken with existing RPLC users and more would take place. It was envisaged that, once appointed, the new operator would wish to undertake its own consultation.

With regard to the number of bidders, the Council had stipulated some challenging thresholds which might have impacted on the number of interested companies and discourage small companies. However, the ultimate test was whether the procurement process had resulted in a bidder that the Council was happy with. Mr Molden advised that he would not expect to see any more than three bidders for such a contract. He believed the two bidders were both of a suitable size to give the Council confidence in their ability to deliver such a contract.

In response to Members' questions, Mr Molden advised that there originally there had been five companies interested in the procurement process, three of whom he considered had taken a serious interest in submitting a bid. Of these three, one had withdrawn because of the geographical area of operation, leaving the two current bidders.

With regard to the provision of car parking, the Head of Programme acknowledged the difficulty balancing sometimes conflicting aims. The Council did not want to disadvantage existing users of the RPLC centre who might have to travel further to use the new centre. However, it was also emphasised that the new location would mean it was within easier walking distance for some users. The Council would aim to adopt an appropriate car parking regime in the area, including holding further discussions with local residents regarding on-street parking. It was a planning condition that the new operator produces a

travel plan, in conjunction with the Council. Further discussions would take place with the County Council regarding school transport to the new centre.

The Head of Programme advised that the Council would retain control of the new leisure centre car park and decide on method of operation in practice. It was anticipated it would operate on some form of refund system for leisure centre users.

In response to Members' questions, Mr Molden advised that the letter to the successful bidder would make clear it was subject to approval of the full business case. Letters were to be sent to both bidders as soon as possible after the meeting decision. The identity of the successful bidder could not be made public until the elapse of a 10 calendar day standstill period from issue of letters.

Cabinet moved to exempt session to discuss the matters contained within the exempt appendix to the report. The meeting was advised that the exempt appendix gave individual scores for Bidder A and Bidder B (which were required to remain exempt due to commercial confidentiality) but did not reveal their identities.

Cabinet agreed to the following for the reasons outlined above, discussed during the exempt session below, and set out in the Report.

RESOLVED:

1. That the evaluation process which supports the appointment of the preferred Operator (Bidder B) as the preferred Leisure Centre Operator be endorsed.
2. That the Council entering into a management agreement (subject to the required standstill period and the approval of a satisfactory Business Case for this project in February 2019) with Bidder B to manage the new Winchester Sport and Leisure Centre on behalf of the Council for a period of 15 years from its opening and with the option (at the sole discretion of the Council and subject to satisfactory performance) to extend the contract for a further period of 5 years) be approved.
3. That it be noted there were no response(s) to the advertisements under s123 (2A) of the Local Government Act 1972 for the disposal of part of the open space at the Garrison Ground by way of a lease to the Operator of the new Sport and Leisure Centre.
4. That the Head of Asset Management be authorised to agree terms in respect of any necessary leasehold arrangements detailed below and subject to approval of the Full Business Case to enter into the leasehold arrangements as required:
 - (a) with the University of Winchester in respect of the Sports Stadium and Artificial Grass Pitch;

- (b) with the preferred Operator (subject to a satisfactory business case having been first approved) in respect of the new Leisure Centre and the Sports Stadium and Track and Artificial Grass Pitch;
- (c) with the University of Winchester to vary the University's existing lease from the Council of a strip of land between numbers 69 and 71 Milland Road, Winchester which serves as the vehicular and one of the pedestrian accesses to the Stadium;
- (d) to enter into such collateral warranties for the benefit of the preferred Operator as may be required by the Operator from any consultants and the contractor and which relate to the construction of the new Sport and Leisure Centre.

5. **EXEMPT BUSINESS:**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
7	Winchester Sport & Leisure Centre – Operator Procurement (exempt appendix)) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)

6. **WINCHESTER SPORT & LEISURE CENTRE - OPERATOR PROCUREMENT (EXEMPT APPENDIX)**
(CAB3081(LC))

Cabinet considered the contents of the exempt appendix to the report which provided further detail regarding the tender evaluation and scoring (detail in exempt minute). Simon Molden and Taryn Dale (The Sports Consultancy) along with Olivia Burton of Mace remained in the room during the exempt discussion to provide response to any questions relating to the exempt appendix.

The meeting commenced at 4.00 pm and concluded at 5.20 pm