

Decisions taken by the Cabinet on Wednesday, 17 June 2026

Agenda Item No	Topic	Decision	Reasons	Alternative Options
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Part A – Items considered in public

A8	Leisure Centre VAT Treatment and Proposed Transition to Agency Operating Arrangements (less exempt appendices)	<ol style="list-style-type: none"> 1. That it be agreed in principle that the progression to an Agency Variation to the existing Leisure Management Contract with Sports and Leisure Management Limited (SLM) who will be the agent with Everyone Active Charitable Trust as authorised sub-agent be approved (define in this report as Everyone Active). 2. That authority be delegated to the Strategic Director – Place, in consultation with the Director of Legal, Section 151 	Report CAB3560 seeks Cabinet approval in principle to progress an Agency Variation to the council's Leisure Management Contract with Sports and Leisure Management Limited (SLM) who will be the agent with Everyone Active Charitable Trust as authorised sub-agent (define in this report as Everyone Active). The proposal is intended to strengthen the long-term sustainability and resilience of the council's leisure offer, provide greater financial certainty through a guaranteed annual return alongside the council's existing contractual	<p>The option of maintaining the existing contractual arrangements without change has been considered.</p> <p>This option would avoid the need for contractual variation but would result in the continuation of the current level of financial performance. It would not address the gap between actual and anticipated income, nor would it provide additional certainty for the council's financial planning.</p> <p>Over time, this would limit the council's ability to reinvest in its facilities and respond to changing demand, increasing</p>
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		<p>Officer, to finalise Heads of Terms and enter into a Deed of Variation and any other necessary and appropriate agreements, including agreement of the detailed financial and operational arrangements.</p> <p>3. That the estimated financial benefits arising from the proposal be noted, including the introduction of a guaranteed uplift in annual income to the council.</p>	<p>arrangements, and support the continued delivery of high-quality leisure services for residents.</p> <p>The proposal does not alter the range, accessibility or standard of services provided at the council’s leisure centres and will not result in changes to the customer experience or day to day operation of services save that the leisure services will be provided on behalf of the council by Everyone Active as agent. Leisure centres will continue to operate as they do currently, with residents continuing to access facilities, programmes and services in the same way. The proposal instead represents an evolution of the contractual and operational arrangements underpinning an established and well-performing service,</p>	<p>the risk that the leisure estate becomes less competitive and financially sustainable.</p> <p>On that basis, a proactive approach to improving the contract and benefitting from this opportunity has been considered the most appropriate course of action.</p>

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			ensuring the contract remains fit for the future and continues to support the council’s wider strategic ambitions.	
A9	Winchester Sport and Leisure Park improvements	<p>Subject to budget approval by full Council as set out below*:</p> <ol style="list-style-type: none"> 1. That the allocation of £740,000 of District-wide Community Infrastructure Levy (CIL) funding and associated capital expenditure to deliver improvements at Winchester Sport & Leisure Park (WSLP) be approved, subject to Full Council approval of the associated capital budget. 2. That an exception to the Contract Procedure Rules to enable one of the direct award options set out in 	<p>To seek Cabinet approval for an exciting opportunity at Winchester Sport & Leisure Park (WSLP), enhancing and future-proofing the Council’s flagship leisure asset to ensure it continues to evolve with changing customer expectations and remains at the forefront of health and wellbeing provision in the district.</p> <p>Since opening in May 2021, WSLP has become a significant success story for Winchester, welcoming approximately 1.4 million visits annually and establishing itself as a central hub supporting healthier</p>	<p>The council could choose not to invest in the site’s infrastructure at this time, choosing to keep the changing room in-situ and to keep the user experience and offer exactly as it is now. However, the ‘no change’ option would mean a missed opportunity to increase footfall onsite and income generation that would make the site more profitable, encouraging the operator to sustain their investment in the site as the contract progresses. Lack of ongoing investment could also impact the commercial attractiveness of the site, resulting in a less beneficial</p>

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		<p>section 3.6 of this report be approved.</p> <p>3. That authority be delegated to the Strategic Director, to approve minor amendments to the detailed design, specification and scope of the project during delivery, provided such changes remain within the approved budget and do not materially alter the strategic objectives or overall outcomes of the scheme approved by Cabinet.</p> <p>That it be recommended to Full Council*:</p> <p>4. That a capital budget of £740,000 be approved to deliver improvements at Winchester Sport & Leisure Park.</p>	<p>communities, active lifestyles and thriving places. As the centre enters its sixth year of operation, there is now an opportunity to build on this success and respond proactively to rapidly changing trends within the leisure and wellbeing market.</p> <p>As owner of the asset, Winchester City Council has an important role in ensuring the facility continues to remain commercially competitive, financially sustainable and attractive to residents, visitors and future operators. Continuous investment in the Council’s leisure infrastructure is essential to maintaining a modern, high-quality offer that responds to changing participation trends and customer expectations within the increasingly competitive</p>	<p>contract from 2036.</p> <p>Everyone Active also presented an enhanced scheme that would also relocate a spin studio and increase gym provision. This enhanced scheme had an estimated cost in excess of £1.3m, which could not currently be met from the available CIL fund. It was felt that this did not offer such good value for money, so this option was discounted.</p> <p>We considered other areas within WSLP that could be adapted, but there is no obvious alternative location for a Reformer Pilates studio. The group exercise provision on the same floor comprises three studios and is used at 74% occupancy, which is considered within the industry to be high</p>

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		<p><i>*NB decisions by Council are not subject to call-in.</i></p>	<p>leisure sector.</p> <p>Report CAB3561 therefore seeks approval for a £740,000 investment through the Community Infrastructure Levy (CIL) programme to deliver a strategic enhancement to WSLP, supporting the continued evolution of the centre and ensuring it remains a modern, commercially resilient and attractive destination for residents and visitors. The proposed investment would transform underutilised space within the centre into a new wellbeing-focused offer including Reformer Pilates, recovery facilities and dedicated wellness warm-up and warm-down spaces, broadening the appeal of WSLP and responding to increasing demand for more</p>	<p>performing. Group exercise sees a steady monthly footfall of c.10,000 visits and is a unique selling point against commercial competitors, who offer gym-only experiences.</p> <p>The works could be procured and managed by the council instead of by Everyone Active. However, achieving this via a competitive tender or through a framework would delay the council's decision on the scheme until a contractor was identified and would present significant time challenges in context of LGR. The option of Everyone Active procuring and managing the works is therefore the preferred option.</p> <p>We could seek full or partial funding from Everyone Active</p>

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			<p>holistic approaches to health and wellbeing.</p> <p>The business case developed by Everyone Active demonstrates that this proposal represents a sound and sustainable investment, generating increased usage, improving the overall customer offer and supporting the long-term financial resilience of the facility. The proposal represents an opportunity not only to enhance the customer experience but also to strengthen the long-term sustainability and attractiveness of the asset, protecting its value and ensuring WSLP remains competitive for both existing and future operators beyond the current contract period ending in 2036.</p>	<p>in recognition of the benefit to the operator that the new facility would bring. However, there is no contractual basis for this and Everyone Active is already committed to funding another enhancement to WSLP this year – the £200,000 conversion of the climbing area to a new soft play facility.</p>

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			<p>This investment reflects a forward-looking approach to asset management and supports the Council Plan ambitions by investing in healthier communities, delivering sustainable services and maximising the value and impact of one of the Council's most significant leisure assets.</p>	