MINUTES OF KEN MARRIOTT LEISURE CENTRE TASK GROUP
7 OCTOBER 2010

PRESENT:

Members of the Group:- Councillors Mrs Bragg, Mistry (Chair), Roberts and Roodhouse

Officers: Ian Davis, Deputy Chief Executive
Anna Rose, Head of Planning and Culture
Christine Fraser, Corporate Financial Business Analyst
Caroline Johnson, Community Sport and Recreation Manager
Debbie Dawson, Scrutiny Officer
Elizabeth Routledge, Democratic Services Officer

In attendance: David O'Neil, Nortoft
Jayne Warman, Nortoft

34. MINUTES

The minutes of the meeting held on 25 May 2010 were approved and signed by the Chairman.

35. APOLOGIES

Apologies were received from Councillors Dodd and Warwick.

36. DECLARATIONS OF INTEREST

Councillor Roodhouse declared a general personal interest by virtue of being a user of the Ken Marriott Leisure Centre with Rugby Sub-Aqua Club.

37. MOTION TO EXCLUDE THE PUBLIC UNDER SECTION 100(A)(4) OF THE LOCAL GOVERNMENT ACT 1972

RESOLVED THAT –

“under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the ground that they involve the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act and that in all of the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

38. OPTIONS APPRAISAL FOR FUTURE DEVELOPMENT OF THE KMLC

At its meeting on 25th May 2010, the Task Group had received a presentation from Nortoft Partnerships outlining four options for the future of the centre.

These options had been set against the following factors: customer satisfaction, energy costs, build cost and risk. Consultation had been undertaken with focus groups, local sports clubs, schools and Rugby St Cross Hospital.
Nortoft had been asked to soft market test option 3 (a major refurbishment) plus option 3b (as 3, but also to include an eight court sports hall). The new build option had been discounted as it was felt that it would be too costly based on the experiences Banbury Spiceball Centre costings.

Officers received the soft market testing reports in July 2010. Key findings were that private sector operators were far less likely to take on the life cycle maintenance of a major refurbishment. It was subsequently suggested that the council should revisit the new build option. Representatives from Nortoft Partnerships presented a proposal to the Group which reconsidered the new build option and set out a breakdown of the costs of a new build based on the recommended facility mix.

The following points were discussed:

- Since Spiceball was commissioned and built, construction prices had reduced considerably. The economic downturn and lack of public sector future investment in the foreseeable future meant a more competitive market and more efficient designs were now being built. A ‘new build’ centre was therefore a more viable, affordable option.
- Health Opportunities: significant positive feedback had been received from the health sector and it was hoped that some funding may be available in the future. However, the projected figures for a new build did not assume any capital funding from the health sector.
- The revised indicative revenue costs to RBC were not unachievable.
- Nortoft detailed five of the most common management options, and listed pros and cons for each option. The options were In-house, New Trust, Existing Trust, Private Operator and Private Operator with Hybrid Trust.
- Five procurement options were listed with Design & Build (D&B) – then seek operator and Design, build, operate and maintain (DBOM) being the recommended options.
- Several sites had been considered for a new build leisure centre. Nortoft circulated details of where they considered the optimum site to be. It would be possible to build a new centre whilst continuing to operate the existing one.
- Nortoft also presented details of potential future improvement opportunities adjacent to the site; however, these had not been included in the costings.
- Members were advised that a supplementary budget of up to £200,000 would be required to ensure that essential procurement and legal advice was secured. A Project Team would be set up to carry out this function. The £200,000 would become a revenue cost if it was decided not to go ahead with the scheme.
- Members were reminded that there was a tight timescale to be achieved and that ‘doing nothing’ was not an option. It would be necessary to allow approximately 12 months to build a new centre.
- Members asked what ‘maintain’ meant in the context of DBOM. They were advised that a maintenance contract of at least 15 years was recommended and would include maintenance of the building and plant. At the end of that period it would be expected that everything would be in near perfect condition.
- The Project Team would report back to the Task Group with their findings before going out to tender. Members were anxious that any new building should be of a reasonably high spec, and that it should be eco friendly and energy efficient.
• Officers were looking into possible sources of additional funding, including the Lottery Fund.

Members thanked Nortoft for their presentation and work on the project.

RESOLVED THAT –

(1) the Task Group support the submission of a report to Cabinet to request a supplementary budget of up to £200,000 for procurement/tender costs for a ‘new build’ leisure centre;

(2) subject to the necessary funding being made available, a project team be appointed to run the tender process;

(3) officers report back to the Task Group with the results of the procurement process, before proceeding to tender;

(4) IT BE RECOMMENDED TO CORPORATE PERFORMANCE COMMITTEE that the current KMLC Task Group continue to oversee the project to its conclusion.

CHAIRMAN