

**To: Members of the Special Sub-Group**

**Councillors Hayfield, Phillips, Smith, M Stanley and Sweet**

**For the information of the other Members of the Council**

## **SPECIAL SUB-GROUP**

**16 SEPTEMBER 2013**

The Special Sub-Group will meet in the Committee Room, The Council House, South Street, Atherstone, Warwickshire on Monday 16 September 2013 at 2.30pm.

### **AGENDA**

#### **PART I - PUBLIC BUSINESS**

- 1 **Evacuation Procedure.**
- 2 **Apologies for Absence / Members away on official Council business.**
- 3 **Disclosable Pecuniary and Non-Pecuniary Interests**
- 4 **Public Participation**

Up to twenty minutes will be set aside for members of the public to ask questions or to put their views to elected Members. Participants are restricted to five minutes each. If you wish to speak at the meeting please contact David Harris on 01827 719222 or email [democraticservices@northwarks.gov.uk](mailto:democraticservices@northwarks.gov.uk).

## **PART A – ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)**

- 5 **Proposed Replacement of Indoor Leisure Facilities in Coleshill** –  
Report of the Assistant Director (Leisure and Community Development)

### **Summary**

This report updates the Sub-Group on progress in respect of the proposed development of new indoor leisure facilities in Coleshill.

The Contact Officer for this report is Simon Powell (719352).

- 6 **Accommodation Project** – Report of the Assistant Director  
(Streetscape)

### **Summary**

To receive a progress report on the Accommodation Project.

The Contact Officer for this report is Richard Dobbs (719440).

JERRY HUTCHINSON  
Chief Executive

**For general enquiries please contact David Harris, Democratic Services Manager, on 01827 719222 or via e-mail – [davidharris@northwarks.gov.uk](mailto:davidharris@northwarks.gov.uk). For enquiries about specific reports please contact the officer named in the report.**

## **Agenda Item No 5**

### **Special Sub-Group**

**16 September 2013**

**Report of the  
Assistant Director  
(Leisure and Community Development)**

**Proposed Replacement of  
Indoor Leisure Facilities  
in Coleshill**

#### **1 Summary**

- 1.1 This report updates the Sub-Group on progress in respect of the proposed development of new indoor leisure facilities in Coleshill.

#### **Recommendation to the Board**

**That the Sub-group notes and comments upon the progress being made in respect of the proposed development of new indoor leisure facilities at The Coleshill School.**

#### **2 Consultation**

- 2.1 The Chairman, Vice-Chairman and Opposition Spokesperson for the Community and Environment and Resources Boards, The Safer Communities Sub-Committee, Members with responsibility for Health, Well-being and Leisure and Young People and Coleshill Ward Members have all had an opportunity to comment on the content of this report. Any comments received will be reported verbally to the Board.

#### **3 Background**

- 3.1 Members are aware that, at its meeting held in July 2012, the Community and Environment Board resolved that The Coleshill School be the preferred site for any future replacement of Coleshill Leisure Centre.
- 3.2 Subsequent negotiations with representatives of The School have resulted in the signing of a Memorandum of Understanding in relation to the proposed development of a new leisure facility at this location, the preparation of a draft underlease, user agreement and two licences through which the facility will be developed and subsequently managed, the adoption of a shared design option, which received Planning Consent in April 2013, the appointment of project managers, a design and build construction company and a CDM Co-ordinator through to the end of the project, progression into Gateway 4 (the pre-construction phase) of the EMPA Intermediate Projects Framework and inclusion of the project within the approved capital programme in the sum of £4.426 million.

#### **4 Update on Progress**

- 4.1 The Sub-Group is aware that the grant application to the Education Funding Agency (EFA), made in the sum of £1,461,366, was approved on appeal in June 2013 and, less palatably, that the bid to Sport England's Inspired Facilities Fund for a financial award of £150,000 was unsuccessful. The National Governing Body of Sport (NGB) for Squash and Racketball had expressed an initial interest in supporting aspects of the proposed development (principally associated with sports development opportunities). Receipt of notification of the outcome of the Inspired Facilities bid, however, resulted in a discussion relating to the potential availability of funding support for the scheme from the NGB, further to which it is pleasing to be able to report that an "in principle" award of £25,000 has been made to the project. Whilst this does not bridge the gap caused by the unsuccessful bid to Sport England, it does provide a valuable contribution to the project and helps to ensure the provision of squash courts within the overall scheme design.
- 4.2 Clearly, the unsuccessful Inspired Facilities Fund application reduces the capital sum potentially available to the project. The School, project managers and the design and build contractor have been notified accordingly and due account is being taken of this factor in the development of the detailed design and the consequent target cost. The loss of up to £150,000 available to support the scheme led to an inevitable "value engineering" process, which had the potential to adversely impact on the space available in which to accommodate community services and, therefore, the ability to generate income. Upon the instruction of the Borough Council, however, the value engineering process focused on the need to limit the impact on those areas of the facility that will support direct service provision. To date, other than the omission of the proposed moveable wall in the squash courts, this process has not impacted on areas of the facility to be dedicated to community service provision. There has, however, been a need to reduce the size of the building footprint, most notably by reducing the extent of changing accommodation principally dedicated to use by The School, and to introduce an alternative drainage proposal into the scheme. Both of these changes require planning consent, in respect of which the relevant applications have been made. It is understood that they are scheduled to be considered by the Planning and Development Board at its meeting to be held on 14 October 2013.
- 4.3 The project has now entered a "design freeze" stage, which has enabled Wates Construction to prepare and put out to tender the various work packages that will enable the detailed target cost for the scheme to be established. It is anticipated that this target cost will be known towards the end of October.
- 4.4 In the meantime, and further to the production and signing of the required Licence to Enter and Carry Out Works, construction work has commenced at The School on the package of "enabling works" approved by the Sub-Group at its meeting held on 19 August 2013. In addition to the detailed design and target cost activity being undertaken by Wates Construction, this package of enabling work includes alterations to The School's heating and mechanical plant, which was connected to its sports hall, which itself will be demolished as part of the project. As Members are aware, the cost of the enabling works is £148,294. Wates Construction's element of this sum totals £115,294, with

the remaining £33,000 being funded at risk by the EFA. As previously reported to, and agreed by, the Sub-Group, any costs incurred prior to securing the required S77 permission from the Secretary of State are being expended “at risk” of the project not proceeding through to completion.

- 4.5 Again as previously reported, Warwickshire County Council made the S77 application (to build on land currently occupied by three redundant tennis courts) to the Secretary of State on 15 July. The process leading to determination of the application can take anything up to 16 weeks. Subsequent to submission of the application it became apparent that this process must include a County Council-led six week period of consultation specifically related to the proposed removal of the three tennis courts, four weeks of which must be undertaken in school term-time. This period of consultation, therefore, cannot conclude until 2 October 2013. It is only after this date that the process leading to determination of the S77 application can proceed. The County Council has provided assurances that it is undertaking this requirement in accordance with procedure and to timescale. It has, however, been reminded of its responsibility to ensure that it collates and forwards to the Department for Education (DfE) any comments received through the consultation process as a matter of urgency, given that the DfE has agreed to place the S77 application before its Playing Fields Panel for consideration on 8 October.
- 4.6 The late submission of the S77 application led to a consequent delay in advancing the development of the project. It, therefore, became necessary to ask the EFA to adjust the practical project completion date (a key grant-related milestone) back from August to October 2014, which it helpfully agreed to do. Given that Wates Construction has now estimated that the project will take a minimum of 46 weeks to reach the point of practical completion, it is imperative that major construction work starts on site on 4 November 2013. In view of the fact that this work can only be undertaken subject to completion of all the necessary legal requirements and receipt of a satisfactory outcome of the S77 process, it is critical that the S77 application is considered by the DfE Playing Fields Panel on 8 October.
- 4.7 In the meantime, work is being progressed in respect of a range of issues associated with the project, including the further development of the draft underlease and user agreement, refinement of the associated revenue business plan and the proposed approach to calculating the future charges to be levied against The School in respect of its use of the leisure facility. Monthly meetings of the Special Sub-Group have been arranged in order to ensure that Members receive regular reports relating to the development of the project.

## **5 Report Implications**

### **5.1 Finance and Value for Money Implications**

5.1.1 Any further delay in the implementation of the project timetable could result in an inability to meet the conditions of the EFA grant and, therefore, the possible loss of more than £1.4 million of financial assistance for the project.

5.1.2 To date, a total of £96,270 has been spent on “at risk” items to move the project through to the stage of seeking Planning Consent (Gateway 3), approval for which was granted by the Executive Board on 24 September 2012. Further to this, there is the potential for additional “at risk” expenditure of £115,294, which relates to Wates Construction’s design fees and target cost work.

## **5.2 Safer Communities Implications**

5.2.1 The provision of good quality leisure facilities and services has profound and positive implications for the development of safer communities and a reduction in the likelihood of criminal and / or anti-social behaviour.

## **5.3 Legal and Human Rights Implications**

5.3.1 Any future replacement of Coleshill Leisure Centre will have direct and positive implications for the Authority’s ability to meet the requirements of Equalities and other legislation and on its determination to equitably enhance access to good quality services for the local community.

## **5.4 Environment and Sustainability Implications**

5.4.1 The proposed investment of resources is required if the Council is to maintain and enhance the quality, consistency and sustainability of its indoor leisure provision in Coleshill. The services provided through the proposed new leisure facility will make a positive and lasting impact on individual and collective quality of life within North Warwickshire.

## **5.5 Health, Well-being and Leisure Implications**

5.5.1 Leisure facilities have a positive impact on the health and well-being of individuals and communities through the provision of opportunities for formal and informal recreation and by contributing to an enhanced quality of life in the Borough. The proposed project is also compliant with, and helps to deliver against, the priorities identified in the Warwickshire Health and Well-being Strategy and the supporting Joint Strategic Needs Assessment.

## **5.6 Human Resources Implications**

5.6.1 There is no immediate human resource implication arising directly from this report.

## **5.7 Risk Management Implications**

5.7.1 The condition and potential future replacement of Coleshill Leisure Centre have been the subject of a detailed risk assessment, a copy of which was presented to the Community and Environment Board in July 2012.

5.7.2 The risks associated with incurring expenditure in advance of receipt of notification of the outcome of the S77 application were presented to, and considered by, the Sub-Group at its meeting held in August 2013.

## **5.8 Equalities Implications**

5.8.1 Any scheme undertaken to replace Coleshill Leisure Centre would be designed to positively impact on the corporate priority to protect and provide easier access to Council services. An Equality and Impact Needs Assessment (EINA) has been carried out and was presented to the Community and Environment Board at its meeting held in July 2012.

## **5.9 Links to Council's Priorities**

5.9.1 An undertaking to replace Coleshill Leisure Centre would have positive and direct links to the following corporate priorities:

- Public service
- Crime and disorder
- Access to services
- Consultation and communication
- Health and well-being

5.9.2 The future replacement of Coleshill Leisure Centre with a new development at The Coleshill School would also have positive implications for the Sustainable Community Strategy priorities to:

- Raise aspirations, educational attainment and skills
- Develop healthier communities
- Improve access to services

The Contact Officer for this report is Simon Powell (719352).