


Individual Cabinet Member Report – transfer of capital scheme from provisional to approved programme

(If any background papers attached to this request are exempt please add the following paragraph here: The attached background papers are NOT FOR PUBLICATION in accordance with paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972. PLEASE DO NOT INCLUDE ANY EXEMPT INFORMATION ON THIS FORM).

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| Name of Cabinet Member | Councillor Pieter-Paul Barker - Cabinet member for Finance and Property Assets |
| Delegations Checked and certified by | Ben Whaymand – Leisure Facilities Team Leader |
| Name of officer requesting the decision | Ben Whaymand – Leisure Facilities Team Leader |
| Contact details of officer | Tel: 01235 422202 Mobile: 07767 657594 Email: ben.whaymand@southandvale.gov.uk |
| Details of decision required | To approve the transfer of £350,000 from the provisional capital programme to the approved capital programme for the improvement of the gym and associated areas at the Thame leisure centre in 2023/2024. |
| Recommended Action | That £350,000 is transferred from the provisional capital programme to the approved capital programme. |

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| Reasons for recommended decision | <p>To maintain the leisure centres at an appropriate level there is an on-going requirement for essential capital works to be completed.</p> <p>The Health and Fitness gym and changing facilities overall condition is deteriorating and ageing to a point of below an acceptable standard.</p> <p>The provision of well-maintained facilities that meet current regulations where necessary and are accessible to all contributes towards the achievement of several of the council's strategic objectives. Without investment in their upkeep, the structure of the centres will deteriorate. This will result in a reduction in customer satisfaction and a reduction in people using the facilities, and the potential for the council to offer attractive leisure facilities in an open tender market in the future.</p> <p>The location sits outside of the Joint Use Agreement (JUA) with Oxfordshire County Council (OCC). As this area and revenue income are separate to the OCC JUA 100 percent of costs will be picked up through the Community Infrastructure Levy (CIL) budget available for these works.</p> <p>Projects expected to be delivered are the upgrading and improvements to the gym inclusive of the lower floor, upgrade of the gym changing rooms and corridor, and improvements to the upper level studio.</p> <p>Until officers have been through the procurement process, costings cannot be confirmed, and the remaining budget will be passed back through to the Infrastructure and Development team to utilise funding for other chosen projects.</p> |
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| Financial details | <p>Soft market tests have been completed, and officers estimate that the cost of the works should be covered with the budget available under CIL.</p> |
| Alternative options considered and rejected | <p>The £350,000 remains in the provisional budget, preventing any works being undertaken and risking the likelihood of reducing customer satisfaction, usage and income to these facilities. There is also an increased risk of incurring additional costs to address works at a future unplanned date.</p> |
| Details of background documents | <p>None</p> |
| Declarations / conflict of interest | <p>None</p> |

| Consultation (officers/ward councillors) | Section | Name | Outcome | Date |
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| | Cabinet Member | Maggie Filipove-Rivers | Approved | 29/02/24 |
| | Legal legal@southandvale.gov.uk | Patrick Arran | Approved | 03/10/23 |
| | Finance Finance@southandvale.gov.uk | Emma Creed | Approved | 24/10/23 |
| | Procurement Procurement@southandvale.gov.uk | Angela Cox | No Comment | 30/10/23 |
| | Human Resources hradminandpayroll@southandvale.gov.uk | N/A | | |
| | Strategic property StrategicPropertyTeam@southandvale.gov.uk | Chris Mobbs | Approved | 02/11/23 |
| | Diversity and Equality equalities@southandvale.gov.uk | N/A | Consultation with build | |
| | Climate and ecology climateaction@southandvale.gov.uk | Heather Saunders | Approved. Water reducing systems on taps and showers will be installed. | 01/11/23 |
| | Health and Safety healthandsafety@southandvale.gov.uk | N/A | Consultation with build | |
| | Risk and insurance risk@southandvale.gov.uk | N/A | Consultation with build | |
| | Communications communications@southandvale.gov.uk | Charlotte Westgate | Approved | 30/10/23 |
| | Senior Management Team | AD, MM, SM and AP | Approved | 17/11/23 |
| | | SH | Approved | 09/02/24 |
| Head of service's approval |  | | | Date 04/03/24 |
| Cabinet Member's approval | <i>Pieter-Paul Barker</i> | | | Date 01/03/24 |
| Reasons for making decision | To approve the transfer of £350,000 from the provisional capital programme to the approved capital programme to enable the gym and associate works to be undertaken to maintain Thame Leisure Centre at an appropriate level. | | | |

Appendix 1: Detailed capital scheme appraisal report

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| Ownership of report/ scheme | <p>Councillor Pieter-Paul Barker - Cabinet member for Finance and Property Assets</p> <p>Ben Whaymand – Leisure Facilities Team Leader</p> |
| Details of the scheme | <p>Planned work funded by the District Council utilising CIL to refurbish and upgrade the gym and associated areas.</p> <p>Works include the refurbishment of the gym on both the upper and lower level, upgrading of the upper level studio, and refurbishment/upgrading of the gym changing rooms.</p> <p>The start date for the projects is yet unknown but it is intended that all works are completed by April/May 2024 subject to approval and tenders being provided.</p> <p>The project will be managed via external consultants and through the employment of a main contractor to deliver the works.</p> <p>As there area is not part of the JUA OCC will not be party to the works, but will be advised of the works taking place. The leisure management contractor GLL will be expected to support with the operational adjustments and use of the facility whilst the works are taking place.</p> |
| Strategic objectives | <p>The project will assist in delivering the corporate objective of building a thriving community by increasing the number of people using the leisure centre through maintaining them in a fit and proper way. This in turn helps create a high level of customer satisfaction with the facilities.</p> |
| Purpose of the scheme | <p>The purpose of the scheme is to maintain the integrity of the building structures and the operational life of the centres in a controlled and efficient manner.</p> <p>The council has both a contractual responsibility to maintain the building fabric in a way that allows our management operator GLL to continue their business. It also needs to protect its assets and not allow them to deteriorate in a way that will cost more in the future to maintain.</p> <p>If the budget allocation remains in the provisional budget, this would prevent any works of this nature being undertaken. This would increase the likelihood of reducing customer satisfaction, usage, and income in these facilities, as well as increasing the risk of incurring additional costs to address additional building failure as well as health and safety issues.</p> |
| Benefits of the Scheme | <p>The beneficiaries of these works will be:</p> <ul style="list-style-type: none"> • The council who will have protected their asset • Customers who have continuity of service and an improved experience • Our management partner GLL can continue their business uninterrupted. |

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| <p>Measuring the success of the scheme</p> | <p>Feedback from residents and users will be monitored as part of annual user surveys and ongoing feedback.</p> <p>The number of service failures or closures of facilities and the number of customer complaints to GLL and/or the council.</p> <p>These results are combined within the annual Scrutiny Report for the leisure contract performance.</p> |
| <p>Financial details</p> | <p>Financial details are shown in appendix 2</p> |
| <p>Hurdles to be overcome</p> | <p>Providing clear and accurate information to customers through our management partner GLL.</p> <p>Procuring suitable contractors in a timely manner to undertake the works within budget by the end of the current financial year.</p> <p>Liaising with academy (where the facility is part of the JUA) and OCC partners regrading on-site logistics.</p> <p>Procuring suitable contractors in a timely manner to undertake the works within budget.</p> |

Appendix 2: Financial details

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| The capital cost of the scheme | The capital cost of this scheme is £350,000 which will be funded from CIL. |
| The profile of that expenditure | Main contractor costs £287,000 8 per cent project management costs based on £28,000 10 per cent contingency £35,000 |
| The revenue consequences of the scheme (expenditure and income) | The capital cost of this scheme is £350,000 which will be funded for by CIL. Should the council not wish to proceed with the drawdown the leisure team will need to use X155 capital where possible to maintain the facility where required by the council at a low standard of service due to the age of the changing facility. |
| Details of any specific sources of external finance available for this scheme | None. However, GLL will be expected to continue maintaining the facilities at the standard of the newly completed project. |
| Any VAT implications of the scheme | None |
| Any financial risks associated with the scheme | None. Soft market testing has been completed to ensure the provisional CIL budget set is within the required amount for delivery. |
| Details of any financial return on the investment | None. As the contract with GLL is set the benefits financially will be seen at the time of tender for new contracts in 2026 by way of an increased management fee expectation. |