

CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the SERVICES OVERVIEW COMMITTEE (CDC) held on 13 JUNE 2018

PRESENT:

Councillors: J Burton (Chairman)
D Bray
J Cook
M Flys
C Jackson
P Jones
S Patel
J Rush
L Smith
N Varley

APOLOGIES FOR ABSENCE were received from Councillors M Titterington, E Culverhouse, M Harker, C Rouse and H Wallace

ALSO IN ATTENDANCE: Councillors A Bacon, A Garth, J Gladwin, M Harrold, C Jones, J MacBean, N Rose, M Stannard, E Walsh, C Wertheim and V Martin

48 MINUTES

The Minutes of the meeting held on 24 April and 15 May 2018 were agreed as a correct record and were signed by the Chairman.

49 DECLARATIONS OF INTEREST

There were no declarations of interest.

50 28 DAY NOTICE

The Committee considered the 28 day notice and noted that the Playing Pitch Strategy would be submitted to the October meeting.

RESOLVED to note the 28 day Notice for Cabinet and the Chiltern and South Bucks Joint Committee.

51 REDEVELOPMENT OF THE CHILTERN POOLS AND ADJACENT COMMUNITY FACILITIES

David McHendry (KKP) and Justin O'Brien (Space and Place) gave a presentation on Chiltern Lifestyle Centre. They gave two different

presentations; the first presentation was on the RIBA Stage 2 Concept Design which showed plans of each floor of the new lifestyle centre including pictures of the main areas. The second presentation outlined the business plan and the options available. The presentations confirmed the preferred approach to develop a single facility incorporating a range of leisure activities and a spa alongside the community facilities to enable income generation to be able to repay a loan,, funded via the Public Works Loan Board over a 40 to 45 year period and enabling development. The presentation is on the website.

The current facility mix detailed in the first presentation included an eight lane 25m swimming pool with associated spectator seating, dive facility/teaching pool, children's splash pad, changing village, 170 station fitness studio, 2/3 x dance studios, hot yoga studio, 2x squash courts, community hall and meeting rooms, library and spa facility with treatment rooms. Accommodation had also been included to support the Linfield Nursery and Gatehouse Disability Club which currently operated from the Youth Club. Increased parking was provided as a result of the reorientation of the centre, together with the use of the council office car park.

The second presentation went through the business plan and the following points were made:-

- Prices and salaries inflated by 2% annually to 2022.
- Review of other costs to reflect the passing of time.
- Over 1,300 attendees on swimming lessons each week.
- 4,400 Health and Fitness members.
- Over 100 group fitness classes per week.
- In excess of 800,000 users of the facility per annum
- Over 100,000 visits to the adventure play facility.
- Increased time available for public swimming.
- Increased time available for swimming and diving clubs enabling both to accommodate more participants.
- Over 250 hours per week of instructed activity across the facility.
- £332k of utilities costs sufficient to cover the costs for the whole building; all other costs will be the responsibility of each tenant.

The Consultants went through Option 1 which was based on a more commercial approach to pricing in order to understand the potential financial benefit, taking into account the Council's investment in a high quality facility. In Year 3 this option should produce £5 million of income. The total scheme would cost £34 million..

- Current £200k subsidy needs to be invested in the new facility
- Applying current pricing would generate £1.25m benefit to the Council giving a 32 million borrowing capacity

- Applying a more commercial approach to pricing would generate £1.475m benefit to the Council giving a £38 million borrowing capacity
- Leisure management contractor needs to be confident that this level of income can be achieved. It was proposed that the income risk would transfer to the operator as they would be asked to guarantee a minimum payment to the Council under the terms of the operator contract.
- If only 3,500 health and fitness memberships are achieved this has a £250k negative impact on the financial benefit to the Council.....and would reduce borrowing capacity from £38m to £32m.
- Doing nothing would increase the current £200k contract subsidy to at least £700k with no marked improvement to the facility for customers.
- £400k surplus income generated by Chalfont & Chesham was not included in the figures as this was required for investment in those facilities.

During discussion Members had the following points clarified:-

- Comparable research was undertaken on similar income generation projects in other areas in particular Westminster Lodge Leisure Centre in St Albans.
- In terms of confidence in obtaining the right level of income generation the consultants confirmed that this would be achieved with the right procurement.
- Reference was made to community events, particularly the Amersham Music Festival, and whether the new community centre would be big enough for this event. In response it was noted that there were 150 seats but it could easily fit over 200 and still comply with health and safety. The stage could also be taken down to provide more seats.
- A Member made reference to an old leisure magazine which featured the Chalfont Leisure Centre which had been innovative for its time and received a national award. It had been an excellent investment and they looked forward to the development of this new project, which was also innovative. The consultants commented that they had aimed to cover activities for all.
- A comment was made of the need to emphasis 'place' which this proposal provided and would be a great asset to the community.
- The cost of £500,000 was for a feasibility study of the development opportunities offered by the release of the existing leisure and community sites – not all of the funding may be used but having this funding available would mean that no further Member decisions would be required
- Members acknowledged that Chiltern Pools had an operational life and that if no new facility was built there would need to be significant expenditure on the structure of the current building.

In response to a question on affordable housing, the Head of Healthy Communities reported that there had been changes to the recommendations in the report as follows:-

Recommendation 1-3 as per original report

- 4. To delegate authority to the Director of Services, to undertake a feasibility study of the development opportunities offered by the release of the existing leisure and community sites (*the existing site*) and subject to an outline business case, to submit a ~~an outline~~ planning application *for that site at the appropriate time. made in tandem with the detailed planning application for the proposed Leisure and community facility.*

- Recommendation 5 as per original report

- 6. To authorise the Head of Healthy Communities, in consultation with the Support Services Portfolio Holder to draw down up to £500,000 of funding from ~~Council reserves the Affordable Housing Reserve~~ to enable an outline business case, and ~~outline~~ planning application of the *existing leisure and community sites (the existing site) King George V and Chiltern Avenue site* to be determined.

- Recommendations 7-8 as per original report

Members welcomed the report and noted that the next steps would be to proceed with a planning application and contractor procurement.

RECOMMENDED to Cabinet

1. that the findings of the current version of the design proposals and business plan to re-provide a combined community and leisure facility in Amersham be noted.

2 that the facility mix incorporated in the current design proposals and detailed in Appendix 1 of the report be agreed .

3 that the decision to submit a detailed planning application for the proposed leisure and community centre be delegated to the Director of Services.

4 that authority be delegated to the Director of Services, to undertake a feasibility study of the development opportunities offered by the release of the existing leisure and community sites (the existing site) and subject to an outline business case, to submit a planning application for that site at the appropriate time.

5. that authority be delegated to the Head of Environment and Head of Legal to carry out due diligence to identify and take steps to address any legal constraints for the proposed leisure and community centre project.

6.that the Head of Healthy Communities be authorised, in consultation with the Support Services Portfolio Holder to draw down up to £500,000 of funding from the Council Reserves to enable an outline business case, and planning application of the existing leisure and community sites (the existing site) to be determined.

7. that the Director of Services be authorised to agree the maintenance arrangements for the land to be transferred to Amersham Town Council.

8. that the Director of Services be authorised to agree the provision of replacement outdoor leisure facilities to be managed and owned by Amersham Town Council following the transfer of the section of King George V Playing Fields to be developed to the District Council.

52 WASTE CONTRACT - JOINT WORKING

The Committee received a report which sought the approval for Chiltern, South Bucks and Wycombe Councils to work together to procure the delivery of waste collection, recycling and street cleansing services at the expiry of the current contracts with Serco and Biffa. Chiltern and Wycombe have benefited from the joint working which commenced with the procurement of the Serco contract. A contract option review had been carried out to look at the contracting options going forward and the results were presented to Portfolio Holders at workshop on 14 March 2018. The Joint Waste Collection Committee had updated its governance procedures to include South Bucks and Members have worked well together. Members noted it was important that all districts intending to participate in the procurement of a joint contract sign an IDAA at the earliest opportunity.

RECOMMENDED to Cabinet

- (i) that the report be noted;**
- (ii) that the longer term strategy to procure a three way single joint contract for Chiltern District Council, South Bucks District Council and Wycombe District Council be agreed;**
- (iii) that an Inter District Authority Agreement (IDAA) be agreed reflecting the Heads of Terms at Appendix 1 of the report;**
- (iv) that authority be delegated to the Head of Environment in consultation with the Head of Legal and Democratic Services and the relevant Portfolio Holder to approve the detailed terms of the IDAA.**

53 REFRESHED JOINT BUSINESS PLAN 2018-19

Members received the refreshed Joint Business Plan 2018-2019 at Appendix 1 of the report. Members expressed their thanks to the Performance and Policy Officer for the new user friendly presentation of the business plan.

RECOMMENDED to Cabinet that the refreshed Joint Business Plan be approved.

54 2017/18 END OF YEAR PERFORMANCE REPORT

The Committee received a report outlining the annual performance of Council services against pre-agreed performance indicators (PIs) and service objectives for Quarter 4 (end of year 2017-18).

The Quarter 4 Priority and Corporate PIs were at Appendices A and B respectively. Members noted that priority PI relating to household waste sent for reuse, recycling and composting was slightly under the target of 53% at 52.7%. Further, that the long-term absence cases detailed at 4.2.1 had been resolved. Through the survey feedback, it is apparent that the Licensing team were working hard to provide good customer service. However, as the response level to the survey was low officers would do more to publicise the survey the following year. Availability of ICT systems to staff was under target because of issues with vWorkspace, however these issues have now been resolved.

The Committee were advised that following the previous meeting it was being proposed that Members would receive the performance reports informally prior to committees to ensure that they received the figures in a more timely manner.

Members were pleased to note the new format of the Annual Report at Appendix C of the report.

RESOLVED that the performance reports be noted.

55 EXCLUSION OF THE PUBLIC

RESOLVED –

That under section 100 (A) (4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following item(s) of business on the grounds that they involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

56 WASTE CONTRACT OPTIONS APPRAISAL

The Committee received a report on the options for procuring the delivery of waste collection, recycling and street cleansing services at the expiry of the current contracts with Serco and Biffa. A formal decision must be made by 3rd September 2018 as to whether the current SERCO contract should be extended by Chiltern and Wycombe Councils or whether a new waste contract should be procured.

Members were informed of key risks relating to future commissioning options for the authorities.:-

The Joint Waste Collection Committee considered that the best option was to enter into a short extension with Serco with the aim of both contracts expiring in October 2021 but, at the same time, commence procurement activities for a new single long term joint contract for all three authorities with a staggered commencement date of March 2020 and November 2021. This would provide a contingency plan should extension negotiations not achieve a successful outcome. In answer to a question, the Member was reassured that the apportionment of costs would be per household and would be set out in the IDAA.

RECOMMENDED to Cabinet

1. That

- (i) the longer term strategy to procure a three way single joint contract for Wycombe District Council, Chiltern District Council and South Bucks District Council be agreed, that the option that should be pursued for the provision of waste etc. services post March 2020 is for Chiltern and Wycombe to agree a contract extension with Serco until the end of October 2021 to align the termination date with the South Bucks/Biffa contract,**

provided that such extension is compliant with the Public Contract Regulations 2015, and to commence the procurement of a single joint three-way contract to commence in November 2021. However, if the said negotiations are unsuccessful, to commence the procurement of a single joint three-way contract with a staggered commencement of March 2020 in Chiltern and Wycombe and November 2021 in South Bucks.

- (ii) authority be delegated to the Head of Environment, in consultation with the Head of Legal and Democratic Services, Head of Finance and the relevant Portfolio Holder, to take the steps necessary to progress the option selected under Recommendation (i) above.
- (iii) authority be delegated to the Head of Environment in consultation with the Portfolio Holder to finalise the specification of the services to be delivered.
- (iv) authority be delegated to the Head of Environment in consultation with the Head of Legal and Democratic Services and the relevant Portfolio Holder to determine the procurement method under the Public Contract Regulations 2015.
- (v) the release of earmarked funds set aside in the Waste Reserve to fund the activity set out in 2 (i) below be approved. The amount not to exceed the total reserve of £281,000 and to be delegated to the Head of Environment and Head of Finance in consultation with the relevant Portfolio Holder.

2 the decisions of the Chiltern, South Bucks & Wycombe Joint Waste Collection Committee be noted and:

- (i) authority be delegated to the Head of Environment to procure sufficient professional and technical resources to enter into initial discussions and to prepare for and support the procurement project/s;
- (ii) an initial budget of up to £200,000 be approved to fund the resources referred to in (i) above, to be funded by the Authorities in proportion to the number of households in each district (CDC – 28.12%; SBDC – 20.46%; WDC – 51.42%), with sums to be released in accordance with each Council's internal approval process.

57 PROPERTY ACQUISITION IN AMERSHAM

The Cabinet received a report on acquiring property in Amersham to provide affordable emergency housing units. The site was a strategic site that would enable future development options. The Cabinet recognised the importance of acquiring this property at a time when the Council faces emergency housing pressures.

RECOMMENDED to Cabinet:-

1 That the acquisition of the site up to the offer outlined in the confidential report (plus seller's legal fees and stamp duty), subject to the contract be agreed. This sum should be spent from the Affordable Housing Reserve.

2. That the Head of Healthy Communities authorise the terms of the acquisition of the site in consultation with the Head of Environment, Head of Legal and Democratic Services and the Portfolio Holders for Healthy Communities and Support Services.

The meeting ended at 8.00 pm