

Public Document Pack

SPECIAL OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

Wednesday, 3rd March, 2010
at 5.00 pm

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Letts (Chair)
Councillor Baston (Vice-Chair)
Councillor Ball
Councillor Barnes-Andrews
Councillor Cooke
Councillor Dick
Councillor Drake
Councillor Norris
Councillor Sollitt
Councillor Williams , R

Appointed Members

Mr J Bettridge (Secondary Parent Governors)
Mrs M Bishop (Primary Parent Governors)
Mr T Blackshaw (Church of England)
Mrs U Topp (Roman Catholic Church)

Contacts

Ed Grimshaw
Democratic Support Officer
Tel. 023 8083 2390
Email: ed.grimshaw@southampton.gov.uk

Joy Wilmot-Palmer
Assistant Chief Executive (Strategy)
Tel. 023 8083 4428
Email: joy.wilmot-palmer@southampton.gov.uk

PUBLIC INFORMATION

Role of Overview and Scrutiny

Overview and Scrutiny includes the following three functions:

- Holding the Executive to account by questioning and evaluating the Executive's actions, both before and after decisions taken.
- Developing and reviewing Council policies, including the Policy Framework and Budget Strategy.
- Making reports and recommendations on any aspect of Council business and other matters that affect the City and its citizens.

Overview and Scrutiny can ask the Executive to reconsider a decision, but they do not have the power to change the decision themselves.

Overview and Scrutiny Management Committee

The Overview and Scrutiny Management Committee holds the Executive to account, exercises the call-in process, and sets and monitors standards for scrutiny. It formulates a programme of scrutiny inquiries and appoints Scrutiny Panels to undertake them. Members of the Executive cannot serve on this Committee.

Southampton City Council's Six Priorities

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

Smoking policy – The Council operates a no-smoking policy in all civic buildings.

Mobile Telephones – Please turn off your mobile telephone whilst in the meeting.

Fire Procedure – in the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

Access – Access is available for the disabled. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

Dates of Meetings: Municipal Year 2009/10

2009	2010
21 May	21 January
18 June	18 February
09 July	25 March
20 August	22 April
10 September	
08 October	
19 November	
17 December	

CONDUCT OF MEETING

Terms of Reference

The general role and terms of reference for the Overview and Scrutiny Management Committee, together with those for all Scrutiny Panels, are set out in Part 2 (Article 6) of the Council's Constitution, and their particular roles are set out in Part 4 (Overview and Scrutiny Procedure Rules – paragraph 5) of the Constitution.

Rules of Procedure

The meeting is governed by the Council Procedure Rules and the Overview and Scrutiny Procedure Rules as set out in Part 4 of the Constitution.

Disclosure of Interests

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "personal" or "prejudicial" interests they may have in relation to matters for consideration on this Agenda.

Personal Interests

A Member must regard himself or herself as having a personal interest in any matter:

- (i) if the matter relates to an interest in the Member's register of interests; or
- (ii) if a decision upon a matter might reasonably be regarded as affecting to a greater extent than other Council Tax payers, ratepayers and inhabitants of the District, the wellbeing or financial position of himself or herself, a relative or a friend or:-
 - (a) any employment or business carried on by such person;
 - (b) any person who employs or has appointed such a person, any firm in which such a person is a partner, or any company of which such a person is a director;
 - (c) any corporate body in which such a person has a beneficial interest in a class of securities exceeding the nominal value of £5,000; or
 - (d) any body listed in Article 14(a) to (e) in which such a person holds a position of general control or management.

A Member must disclose a personal interest

Prejudicial Interests

Having identified a personal interest, a Member must consider whether a member of the public with knowledge of the relevant facts would reasonably think that the interest was so significant and particular that it could prejudice that Member's judgement of the public interest. If that is the case, the interest must be regarded as "prejudicial" and the Member must disclose the interest and withdraw from the meeting room during discussion on the item.

It should be noted that a prejudicial interest may apply to part or the whole of an item.

Where there are a series of inter-related financial or resource matters, with a limited resource available, under consideration a prejudicial interest in one matter relating to that resource may lead to a member being excluded from considering the other matters relating to that same limited resource.

There are some limited exceptions.

Note: Members are encouraged to seek advice from the Monitoring Officer or his staff in Democratic Services if they have any problems or concerns in relation to the above.

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

Agendas and papers are now available via Southampton Online at www.southampton.gov.uk/council/meeting-papers

1 APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)

To note any changes in membership of the Panel made in accordance with Council Procedure Rule 4.3.

2 DISCLOSURE OF PERSONAL AND PREJUDICIAL INTERESTS

In accordance with the Local Government Act, 2000, and the Council's Code of Conduct adopted on 16th May, 2007, Members to disclose any personal or prejudicial interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Cabinet Administrator prior to the commencement of this meeting.

3 DECLARATIONS OF SCRUTINY INTEREST

Members are invited to declare any prior participation in any decision taken by a Committee, Sub-Committee, or Panel of the Council on the agenda and being scrutinised at this meeting.

4 DECLARATION OF PARTY POLITICAL WHIP

Members are invited to declare the application of any party political whip on any matter on the agenda and being scrutinised at this meeting.

5 EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN THE FOLLOWING ITEM

To move that in accordance with the Council's Constitution, specifically the Access to Information procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendices to item no:6

Appendices 2, 3 and 4 of this report are not for publication by virtue of Categories 3 and 4 of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution. It is not considered to be in the public interest to disclose this information because the Appendices contain confidential and commercially sensitive information which would impact on the integrity of a commercial procurement process and the Council's ability to achieve 'Best value' in line with its statutory duties.

6 CALL-IN OF EXECUTIVE DECISION NO. CAB 09/10 1800 SELECTION OF PARTNERS FOR SPORT AND RECREATION PARTNERSHIP

Report of the Head of Policy and Improvement setting out the details of the Call-in received for the above decision, attached.

7 FORWARD PLAN

Report of the Assistant to the Chief Executive (Strategy) detailing the Forward Plan for the Portfolio for the period March to June 2010, attached.

Tuesday, 23 February 2010

SOLICITOR TO THE COUNCIL

Agenda Item 6

ITEM NO:6

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE		
SUBJECT:	CALL-IN OF EXECUTIVE DECISION NO. CAB 09/10 1800 SELECTION OF PARTNERS FOR SPORT AND RECREATION PARTNERSHIP		
DATE OF DECISION:	3 MARCH 2010		
REPORT OF:	HEAD OF POLICY AND IMPROVEMENT		
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	Suki.sitaram@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
N/A			

SUMMARY

A Call-In notice has been received from the Chair of the Overview and Scrutiny Management Committee in respect of a decision made by the Cabinet on 15th February 2010 relating to the selection of partners for Sport and Recreation Partnership.

RECOMMENDATIONS:

Following consideration of the attached Cabinet report, related Appendices and Decision Notice, the Committee is recommended either:-

- (i) to recommend that the Decision Maker re-considers the called-in decision at the next decision meeting; or
- (ii) to advise the Decision Maker that the Scrutiny Panel does not recommend that the decision be reconsidered and that it can therefore be implemented without delay.

REASONS FOR REPORT RECOMMENDATIONS

1. The recommendations reflect the options available to the Overview and Scrutiny Management Committee through the implementation of the agreed Call-In process.

CONSULTATION

2. Not Applicable

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Not Applicable

DETAIL

4. A Call-In notice signed by the Chair of the Overview and Scrutiny Management Committee has been received in accordance with Paragraph 12 of the Overview and Scrutiny Procedure Rules set out in Part 4 of the Council's Constitution. The Call-In notice relates to the decision made by the Cabinet on 15th February 2010 to approve the appointment of the preferred bidder to take on management and operation of Sport and Recreation Facilities and approve delegated authority to enter into an agreement to

appoint the preferred bidder to take on the management and operation of the Southampton Municipal Golf Course facilities.

5. Paragraph 12 of the Overview and Scrutiny Procedure Rules provides a mechanism for members of the Overview and Scrutiny Management Committee to challenge executive decisions that have been made but not implemented. The papers attached to this report relate to the decision that has been called in under this procedure and include:
 - The Call-In Notice : Detailing who called-in the decision and why (Item *A)
 - The Decision Notice: Detailing the decision taken and the reasons for the decision (Item *B)
 - The Decision Report: The report on which the decision was based and related appendices (Item *C).
6. The Overview and Scrutiny management Committee requested additional information as part of the context setting for this decision. This includes financial details (an analysis of capital and revenue spend in the last 3 years and information on who will be responsible for this type of expenditure in the future) and an overview of the options considered to date on this issue. The relevant information is detailed in Appendix D.
7. It is now for the Overview and Scrutiny Management Committee to discuss the subject of the Call-In with the Cabinet Member for Children's Services and appropriate officers and to determine whether it wishes the Cabinet Member to re-consider the previous decision, or to clear the proposal for implementation without further re- consideration by the Cabinet Member.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

8. As detailed in the decision report dated 15th February 2010 which is appended as Item *C.

Revenue

9. The relevant details are set out in Item *C

Property

10. The relevant details are set out in Item *C.

Other

Relevant details are set out in Item *C.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. The relevant details are set out in Item *C.

Other Legal Implications:

12. Relevant details are set out in Item *C.

POLICY FRAMEWORK IMPLICATIONS

13. Relevant matters are set out in Item *C

SUPPORTING DOCUMENTATION

Appendices

*A	Call-In Notice
*B	Decision Notice
*C	Decision Report and Appendices
D	Overview of the work undertaken to date and financial details

Documents In Members' Rooms

1.	None
----	------

Background Documents

Title of Background Paper(s) Relevant Paragraph of the Access to Information
Procedure Rules / Schedule 12A allowing
document to be Exempt/Confidential (if applicable)

1.	None	
----	------	--

Background documents available for inspection at: N/A

KEY DECISION? YES

WARDS/COMMUNITIES AFFECTED:	ALL
------------------------------------	-----

This page is intentionally left blank

NOTICE OF CALL-IN

In accordance with rule 12 of the Overview & Scrutiny procedure rules of the Council's Constitution, a request is hereby made that the Head of Corporate Policy and Performance exercise the call-in of the decision identified below for consideration by Overview and Scrutiny Management Committee.

Decision Number: CAB 09/10 1800 Selection of Partners for Sport and Recreation Partnerships
--

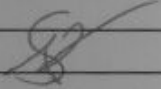
Decision Taker: Cabinet

Date of Decision: Monday 15 th February 2010

Reason(s) for Requisition of Call-In of Decision:

<p>* Lack of public consultation</p> <p>* Failure to demonstrate value for money</p> <p>* Failure to take into account staff views</p> <p>* Failure to consider other alternatives eg trusts or mutvals</p>

Call-In Requested by:

Name	Signature	Date
SIMON LETTS		19/2/2010

All Members requesting that a Decision be Called-In must sign this Call-In Notice. A decision may be called in by:

- The Chair of Overview and Scrutiny Management Committee
- Any 2 Members of Overview and Scrutiny Management Committee
- In respect of a Decision relating to Education, any 2 Parent Governor or Church Representatives

Please submit to the Head of Policy and Improvement within 5 clear days of the publication of the relevant decision.

This page is intentionally left blank

RECORD OF EXECUTIVE DECISION

Monday, 15 February 2010

Decision No: (CAB 09/10 1800)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Leisure, Culture and Heritage
SUBJECT:	Selection of Partners for Sport and Recreation Partnership
AUTHOR:	Mike Harris

THE DECISION

- (i) To consider the objections received and to authorise the disposal to the preferred bidder by way of a 15 year lease for Package 2 and an agreed lease for Package 1, the list of properties set out in appendix 1, in order to facilitate the contract awards.
- (ii) To delegate authority to the Executive Director of Neighbourhoods, in consultation with the Executive Director of Resources and the Solicitor to Council following consultation with the Cabinet Member for Leisure,, to appoint a preferred partner for the management and operation of Package 1 (Southampton Municipal Golf Course) in accordance with the framework as set out in confidential appendix 2.
- (iii) To appoint the preferred partner (identified at confidential appendix 3) to manage and operate the leisure facilities identified in package 2 (excluding the grounds maintenance for outlying sports pitches), for a contractual period of 15 years, at or below the level of annual management fee set out in section 9 of confidential appendix 3, and delivering an average net annual saving equal to or greater than the savings figure set out in section 10 of confidential appendix 4.
- (iv) To delegate authority to the Solicitor to the Council, following consultation with the Executive Director of Neighbourhoods and Executive Director of Resources to finalise and enter into contractual arrangements with preferred partners for both package 1 and 2 with contracts commencing on 1st September 2010, subject to the preferred partner for Package 1 fully meeting the criteria set out in confidential appendix 2.
- (v) To approve, in accordance with finance procedure rules, capital expenditure of £198,000 on Improvements to the Athletics Track at the sports centre and £48,000 on Improvements to synthetic turf pitches at the sports centre, provision for which exists in the Leisure, Culture and Heritage capital programme for 2010/11.
- (vi) To approve the preferred way forward for the development of PE and Sport facilities at Chamberlayne Park College and the ongoing relationship with Chamberlayne Leisure Centre.
- (vii) To authorise the Solicitor to the Council following consultation with the Executive Director of Neighbourhoods and the Executive Director of

Resources to do anything necessary to give effect to the proposals contained within this report including, but not limited to, the entering into of agreements, bonds, leases, further advertisement of any property matters and such other matters as are ancillary to or expedient for the completion of the project.

REASONS FOR THE DECISION

Package 1

The Council proposes to let a 12 year contract for the management and operation of the Municipal Golf Course. Following issue of an OJEU notice advertising this opportunity in August 2009, the Council is near completing a short and focussed Competitive Dialogue procurement process. The Pre Qualification and Detailed Solutions stages of this procurement have now been completed.

The Council is continuing to engage in Dialogue with 3 bidders with a view to inviting Final Tenders at the end of February 2010. Following evaluation of these tenders, the Council proposes to identify a preferred bidder who is best able to meet the objectives of the project in their Final Tender. Through the recommended delegated authorities (subject to the framework set out in confidential appendix 2), the Council will ensure that a contract handover date of 1 September 2010 can be achieved.

Package 2

The Dialogue undertaken with bidders has identified that there are a range of benefits to the Council in securing a 15 year partnership for package 2. By securing a partner the project will contribute to meeting the Council's three main outcomes for its Sport and Recreation Services by:

- Increasing participation;
- Providing a sustainable platform of investment that develops the services which includes addressing the repairs, maintenance and major equipment and replacement issues for the life of the contract;
- Creating opportunities to contribute to the City health issues;
- Improving choice for customers by offering for example on line bookings and payment;
- Providing a dedicated resource to develop partnerships and funding for the services;
- Reducing the net subsidy to the Council;
- The Council creating a partnership that will work together to improve and develop its existing leisure facility provision but also explore the opportunity for new provision.

To allow the Council to appoint a preferred bidder and subsequently finalise the contract through a fine tuning stage from late February to the end of April 2010. The purpose of this phase would be to undertake any fine tuning necessary to allow contract completion and meet the handover date target of the 1 September 2010.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. The Council has used Public Sector Comparators (PSC) developed for both packages and refined since the Cabinet report of 28 July 2008 in assessing the suitability of bids against the current financial performance of the Council.
2. Bidders for Package 2 were initially asked to make proposals to carry out the grounds maintenance of facilities at the Sports Centre and outlying sports pitches. Proposals were judged to provide no additional value to the Council and therefore this responsibility will remain with the Council's Neighbourhood Services team.
3. Initially in July 2008 it was proposed to include St Mary's Leisure Centre and Oaklands Swimming Pool in the facilities offered in Package 2. However, these were withdrawn from the package advertised to enable other options to be explored and developed in the future in relation to those sites.
4. A final option is not to pursue the letting of contracts for Package 1 and Package 2. It is felt that not entering into a partnership with partners will fail to contribute to the Council's 3 key objectives for Sport and Recreation. The financial, quality and increased participation benefits outlined in this paper will not be fully achieved by maintaining the current operation model for Sport and Recreation.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15th February 2010

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Results of Call-in (*if applicable*)

DECISION-MAKER:	CABINET		
SUBJECT:	SELECTION OF PARTNERS FOR SPORT AND RECREATION PARTNERSHIPS		
DATE OF DECISION:	15 FEBRUARY 2010		
REPORT OF:	CABINET MEMBER FOR LEISURE, CULTURE AND HERITAGE		
AUTHOR:	Name:	Mike Harris	Tel: 023 8083 2882
	E-mail:	mike.d.harris@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Appendices 2, 3 and 4 of this report are not for publication by virtue of Categories 3 and 4 of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution. It is not considered to be in the public interest to disclose this information because the Appendices contain confidential and commercially sensitive information which would impact on the integrity of a commercial procurement process and the Council's ability to achieve 'Best value' in line with its statutory duties.

SUMMARY

This paper updates Cabinet on the progress of the Council's proposed Sport and Recreation Partnerships and requests that a number of recommendations are considered.

The Council has undertaken two procurement processes to identify partners for two separate Partnership packages:

- Package 1 relates to the Municipal Golf Course
- Package 2 includes the Quays 'Eddie Read' Swimming and Diving Complex, Bitterne Leisure Centre, Chamberlayne Leisure Centre, Woodmill Activities Centre, Southampton Water Activities Centre, the Outdoor Sports Centre (including outlying pitches and the Paddling Pool on Southampton Common) and Southampton Alpine Centre.

The Cabinet report of 28 July 2008 identified three key outcomes as the aspirations for this project which are:

- Increased participation and widening of access for the Council's Leisure facilities
- Improved quality and customer satisfaction
- Reduced net cost

A competitive dialogue process is being undertaken to secure a partner to manage and operate the Southampton Municipal Golf Course (Package 1). Shortlisted bidders are currently preparing their final tenders in respect of this proposed contract. Approval is sought from Cabinet to delegate authority to officers, following appropriate consultation with members, to proceed with the selection of a preferred bidder for the management

and operation of Southampton Municipal Golf Course, as detailed below, to enable adherence to the project timeline.

For package 2 a competitive dialogue procurement was also undertaken which enabled the delivery of short listing bidders, intense dialogue period, receipt and evaluation of final tenders and this paper is being brought to Cabinet to report on the outcomes of the competitive dialogue process and seek approvals as set out in the recommendations below.

In seeking approval to secure a new partner to operate and manage the facilities outlined in package 2 this paper also seeks approval to spend section 106 monies to improve the Sport Centre provision by undertaking major replacement and rejuvenation for the Athletics track and synthetic turf pitches. This positive commitment by the Council will create a platform of opportunity for growth for both the proposed preferred bidder and the Council.

RECOMMENDATIONS:

- (i) To consider the objections received and to authorise the disposal to the preferred bidder by way of a 15 year lease for Package 2 and an agreed lease for Package 1, the list of properties set out in appendix 1, in order to facilitate the contract awards.
- (ii) To delegate authority to the Executive Director of Neighbourhoods, in consultation with the Executive Director of Resources and the Solicitor to Council following consultation with the Cabinet Member for Leisure,, to appoint a preferred partner for the management and operation of Package 1 (Southampton Municipal Golf Course) in accordance with the framework as set out in confidential appendix 2.
- (iii) To appoint the preferred partner (identified at confidential appendix 3) to manage and operate the leisure facilities identified in package 2 (excluding the grounds maintenance for outlying sports pitches), for a contractual period of 15 years, at or below the level of annual management fee set out in section 9 of confidential appendix 3, and delivering an average net annual saving equal to or greater than the savings figure set out in section 10 of confidential appendix 4.
- (iv) To delegate authority to the Solicitor to the Council, following consultation with the Executive Director of Neighbourhoods and Executive Director of Resources to finalise and enter into contractual arrangements with preferred partners for both package 1 and 2 with contracts commencing on 1st September 2010, subject to the preferred partner for Package 1 fully meeting the criteria set out in confidential appendix 2.
- (v) To approve, in accordance with finance procedure rules, capital expenditure of £198,000 on Improvements to the Athletics Track at the sports centre and £48,000 on Improvements to synthetic turf pitches at the sports centre, provision for which exists in the Leisure, Culture and Heritage capital programme for 2010/11.
- (vi) To approve the preferred way forward for the development of PE and Sport facilities at Chamberlayne Park College and the ongoing relationship with Chamberlayne Leisure Centre.

- (vii) To authorise the Solicitor to the Council following consultation with the Executive Director of Neighbourhoods and the Executive Director of Resources to do anything necessary to give effect to the proposals contained within this report including, but not limited to, the entering into of agreements, bonds, leases, further advertisement of any property matters and such other matters as are ancillary to or expedient for the completion of the project.

REASONS FOR REPORT RECOMMENDATIONS

1 Package 1

The Council proposes to let a 12 year contract for the management and operation of the Municipal Golf Course. Following issue of an OJEU notice advertising this opportunity in August 2009, the Council is near completing a short and focussed Competitive Dialogue procurement process. The Pre Qualification and Detailed Solutions stages of this procurement have now been completed.

The Council is continuing to engage in Dialogue with 3 bidders with a view to inviting Final Tenders at the end of February 2010. Following evaluation of these tenders, the Council proposes to identify a preferred bidder who is best able to meet the objectives of the project in their Final Tender. Through the recommended delegated authorities (subject to the framework set out in confidential appendix 2), the Council will ensure that a contract handover date of 1 September 2010 can be achieved.

2 Package 2

The Dialogue undertaken with bidders has identified that there are a range of benefits to the Council in securing a 15 year partnership for package 2. By securing a partner the project will contribute to meeting the Council's three main outcomes for its Sport and Recreation Services by:

- Increasing participation;
- Providing a sustainable platform of investment that develops the services which includes addressing the repairs, maintenance and major equipment and replacement issues for the life of the contract;
- Creating opportunities to contribute to the City health issues;
- Improving choice for customers by offering for example on line bookings and payment;
- Providing a dedicated resource to develop partnerships and funding for the services;
- Reducing the net subsidy to the Council;
- The Council creating a partnership that will work together to improve and develop its existing leisure facility provision but also explore the opportunity for new provision.

- 3 To allow the Council to appoint a preferred bidder and subsequently finalise the contract through a fine tuning stage from late February to the end of April 2010. The purpose of this phase would be to undertake any fine tuning necessary to allow contract completion and meet the handover date target of the 1 September 2010.

CONSULTATION

Trade Unions

- 4 This report has been shared with the Trade Unions. Any comments that they make upon the report shall be submitted under separate cover to Cabinet members at the meeting. Trade unions who have signed a confidentiality agreement have also seen details of the shortlisted bidders and their final tenders. Regular consultation meetings have taken place with the unions throughout both package 1 and 2 procurement processes.

Sport and Recreation Staff

- 5 Staff at Sport and Recreation facilities have been kept informed via regular meetings at the various facilities throughout the procurement, newsletters and dedicated intranet pages. A dedicated email address is available for all staff to contact the project team.

Customers and Stakeholders

- 6 Customers and other stakeholders have received regular newsletters about the proposals and previous investors in the facilities such as Sport England have been kept informed. All residents have been consulted about the Council's plans by way of advertisements placed informing residents about the Council's intention to grant leases on open spaces relating to both packages. As a major stakeholder, NHS Southampton City has been involved in the evaluation of proposals for addressing the City's Health and Well Being.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 7 The Council has used Public Sector Comparators (PSC) developed for both packages and refined since the Cabinet report of 28 July 2008 in assessing the suitability of bids against the current financial performance of the Council.
- 8 Bidders for Package 2 were initially asked to make proposals to carry out the grounds maintenance of facilities at the Sports Centre and outlying sports pitches. Proposals were judged to provide no additional value to the Council and therefore this responsibility will remain with the Council's Neighbourhood Services team.
- 9 Initially in July 2008 it was proposed to include St Mary's Leisure Centre and Oaklands Swimming Pool in the facilities offered in Package 2. However, these were withdrawn from the package advertised to enable other options to be explored and developed in the future in relation to those sites.
- 10 A final option is not to pursue the letting of contracts for Package 1 and Package 2. It is felt that not entering into a partnership with partners will fail to contribute to the Council's 3 key objectives for Sport and Recreation. The financial, quality and increased participation benefits outlined in this paper will not be fully achieved by maintaining the current operation model for Sport and Recreation.

DETAIL

Procurement and Tender Process Package 2

- 11 The Council established a project governance structure for this project commensurate with procurement projects of this size and value. This included

initial planning advice from Capita Symonds, procurement advice from Max Associates and legal advice and support from Sharpe Pritchard. The process has been guided by a Project Manager and project team reporting to a Project Board, Capital Project Board and the Cabinet Member for Leisure Culture and Heritage.

- 12 The project has been subject to a detailed inspection and report (published 26 June 2009) by the City Council's internal audit department who concluded that substantial assurance could be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management's objectives.

Procurement and Evaluation Process

- 13 A full breakdown of this activity is detailed at Appendix 3. The Council established prior to Detailed Solutions stage Evaluation Criteria and bidders were required to submit method statements together with income and expenditure projections relating to various aspects of the contract at both detailed solutions and final tender stage.

Meeting the Council's Objectives

- 14 The Cabinet set three key outcomes for this procurement process in July 2008. Below is a summary of the preferred bidder performance against these outcomes.

a) Increasing Participation in Sport and Physical Activity

The preferred bidder has produced a range of ideas and commitments which contribute to this Council aim, which is measured through the City's Local Area Agreement (2008-11). The preferred bidder made a commitment to increase participation and has proposed to introduce or develop such initiatives as:

- Developing partnerships with all Active Southampton member organisations.
- Increasing the intensity of marketing and promotion of all facilities, particularly outdoor venues
- In partnership with the Council, invest in facilities throughout the course of the contract.
- Making facilities more accessible through the development of revised membership schemes and flexible pricing structures.

In addition the preferred bidder has agreed to meet a key performance target of increasing participation by 3% per year for the first five years. Future increases in participation will be targeted throughout the life of the contract.

The preferred bidder will be taking the risk on securing income and will also be required to increase the expenditure into the service to drive and deliver the increased participation targets. In addition, if surpluses are realised during the contract, The Council will retain a percentage of these surpluses for the indoor and outdoor centres (the percentages have been proposed by the bidders as part of their financial proposals and are detailed at Appendix 3).

The evaluation panel has concluded that the bid meets the Council's requirements but has some concerns that a clear strategy for increased usage is not fully evidenced in the bid; however minor concerns will be further addressed at 'fine tuning stage'

b) Improved Quality and Customer Satisfaction

The preferred bidder has demonstrated extensive experience of managing contracts of similar size and duration. The preferred bidder broadly meets the Council's expectations in this area but is not able to demonstrate substantial evidence of higher quality provision and increased customer satisfaction through either its method statements or evidence through existing contracts. The preferred bidder will be expected to improve on the Council's performance through the Quest accreditation scheme incrementally over the course of the contract and customer satisfaction will be measured twice a year and the preferred bidder is committed to meeting the Council targets which are:

- Achieving a minimum 1% per assessment cycle increase in Quest scores, and achieving Quest for non-accredited facilities within 1st year of contract.
- Increase in usage of concessionary card by 1% per annum over first five years of contract.
- Adherence to published programming and pricing strategies agreed with the Council
- Reductions in accidents and staff turnover
- Achievement of energy saving plans and targets.
- Achieving target scores agreed with the Council in respect of customer satisfaction
- All customer feedback analysed and necessary action taken

The Client function of the Council will be responsible for monitoring the Contractor's performance against these targets

c) Reduced Net Subsidy

Both bidders are able to offer Non Domestic Rates savings through their organisational structures. Bids have been evaluated against the Council's Public Sector Comparator and the estimated savings are detailed in Appendix 3. The immediate budgetary saving is set out in paragraph 19 below. It must be noted that bidders have been asked to factor in significant repairs, replacement and maintenance responsibilities in to their management fees which would otherwise have required council funding at some point in the future. This is due to the need to deal with these matters within a contractual framework. The facilities concerned will also be subject to a much higher standard repairs and maintenance regime than the Council has typically implemented in the past.

Other key drivers of this procurement process were to encourage the bidders to develop and or contribute to:

- Investment in the facilities

- Investment in additional facilities and services
- Support for the community sports programme including Active Southampton, the City's Health and Well Being agenda and contribution to reducing the environmental impact of the facilities.

Details of how the preferred bidder has contributed to these are contained in Appendix 3.

Chamberlayne Leisure Centre

- 14 The development of new facilities at Chamberlayne College for the Arts through Building Schools for the Future (BSF) is being planned concurrently with the Package 2 procurement process. As the school is entitled to and is considering new PE and Sport facilities through BSF, the Council needs to ensure that any new provision is complementary to the existing facilities at Chamberlayne Leisure Centre.
- 15 To ensure that a potential duplication is avoided, officers from Leisure and Culture and the BSF team have been working together to plan new provision that will create additional, complementary opportunities for community sport. The risk of agreeing investment in duplicate indoor provision at the school is that the Council's preferred partner may lodge a loss of income claim should existing Leisure Centre users be displaced to the new facility. Bidders have received clarification on this latest position

FINANCIAL/RESOURCE IMPLICATIONS

Capital

- 16 The preferred bidder has included a range of capital investment proposals over the duration of the contract funded through a range of sources. In addition, there is the opportunity for the Council to work with the preferred bidder on a number of other projects. This does not commit the council to any expenditure and whether these opportunities are taken forward will depend on the availability of funding at the time.

Expenditure at the Sports Centre

- 17 Cabinet is asked to approve expenditure on two projects at the Outdoor Sports Centre. Both projects, which are funded from section 106 contributions, are envisaged to be delivered in the months prior to handover to a preferred bidder on 1 September 2010. The facilities require immediate investment to ensure they meet a required standard of playing surface for the activities they are currently utilised for. Details of the projects are shown below:
- a) Rejuvenation of two Sand Filled Synthetic Turf Pitches – the surfaces of these pitches was last improved in 1999 prior to Southampton's hosting of the Millennium Youth Games. The surfaces have now reached the end of their expected life and are showing signs of significant wear and tear. Independent appraisal of the options available to the Council for their rejuvenation has suggested that a rejuvenation and repair project will extend the life of the surfaces by approximately 5 years. The cost of this project is £48,000.

- b) The current Athletics Track surface was laid in 1999 and now falls below the standards required for full certification by UK Athletics which enables it to host key athletics meets and the activities of Team Southampton (the club based at the track). Re-laying of the track will need to take place in the spring and summer months when average temperatures are suitable for the track bonding and surface layers to set. The cost of this new surface is £198,000.

Revenue

- 18 Checks have been undertaken to establish the preferred bidder's ability to deliver the contract as per the Council's requirements and within the context of their proposed management fee.
- 19 The saving expected after evaluation of bidders' proposals is set out in Appendix 4. These savings are assessed over the full 15 year contract period.
- 20 In budgetary terms, the budget papers considered at Cabinet on 1 February 2010, showed that savings of £111,000 in 2010/11 (increasing to £407,000 in 2011/12) could be expected. This takes account of savings on central repairs and maintenance budgets as well as savings on operational budgets in the Leisure, Culture and Heritage portfolio.
- 21 It should be noted that the council is still left with taking the financial responsibility for certain risks in relation to repairs and maintenance, utilities and pensions. These issues are examined in the paragraphs below and the financial implications included in appendices 3 and 4.

Property

Leases

- 22 The Council has been obliged to advertise its intention to grant leases on areas of Open Space contained within both Package 1 and 2, compliant with Section 123 of the Local Government Act (1972). The intention to grant an overriding lease on some of the sites was advertised in the Southampton Daily Echo for two consecutive weeks being 30 November 2009 and 7 December 2009 and following these advertisements the general public had until 7 January 2010 to lodge an objection to the proposals. The Solicitor to the Council has received written objections following the advertisement process which are located at Appendix 1 for formal consideration by Cabinet.
- 23 The Council will be agreeing to grant overriding leases on the various facilities which outline the repairs and maintenance responsibilities of the preferred bidder. The preferred bidder will also be responsible for managing existing leases within the facilities in Package 2 including the Sporting View public house and Sports Centre Pleasure Park.

Repairs and Maintenance

- 24 The preferred bidder will take responsibility for most aspects for repairs and maintenance and in addition will be responsible for major replacement of most equipment and plant (as defined in an agreed schedule). The Council will retain responsibility solely for the structure and latent defects of the buildings and the boiler at Chamberlayne Leisure Centre (which has an estimated remaining lifespan that extends beyond the proposed life of the contract). This

will be limited in extent by an agreed, detailed Schedule of Condition for each property including plant and machinery. In addition an annual inspection will be undertaken to ensure compliance with the repairing obligations contained in the leases. The expected benefits to the Council in respect of repairs, replacement and maintenance can be found in confidential appendix 3, together with information on how the risks would be funded if this was necessary.

Utilities

- 25 Through dialogue, the Council has agreed that the preferred bidder will take risk and responsibility for the consumption of utilities but the Council will retain risk on the cost of utilities (Gas, Water, Electricity and Geothermal power). This allows the Council to include Sport and Recreation facilities within its negotiated contracts through the Kent Laser Agreement. The preferred bidder will be responsible for all utility costs which occur due to any increases in consumption above the baseline agreed at handover. This approach is consistent with that adopted for the Council's Street Lighting PFI. The estimated risk that that the Council may wish to plan for on an annual basis through the central risk fund can be identified in appendix 3.

The Quays and Watermark West Quay Development

- 26 The proposed Watermark West Quay development has the potential to impact on the operation and use of the Quays 'Eddie Read' Swimming and Diving Centre. Bidders have been requested to treat this as a market condition and show any impact of potential development in forthcoming years in their overall management fees. Bidders have also been informed that as part of the development agreement for the Watermark West Quay project, the developer will compensate the Quays operator for the loss of car parking for the duration of the development period and lease. The existing North Quays car park is 134 spaces and as part of the completed development the developer is to provide not less than 224 spaces in the WWQ development and South Quays car parks. It is envisaged (though not yet agreed) that an additional 61 spaces will be allocated from the existing Harbour Parade car park which will allow reconfiguration with the remaining South Quays car park. The additional spaces referenced above will create approximately 140 spaces of surface parking for use by Quays customers. Income from the car park at the Quays will be retained by the partner.

Other

Council's Residual Role and Structure

- 27 Both the preferred bidder and the Council see the Sport and Recreation Partnership as an ongoing relationship and the development of this will be key to the success of the contract. As such, the Council has agreed a residual client structure which includes contract management and sports development functions. Details of the costs and structure of the client function are included at paragraph 9 of the confidential appendix 4.

Transfer of Staff and Terms and Conditions

- 28 The preferred bidder has confirmed their understanding that TUPE applies to this contract and that they have a responsibility with regard to the Workforce

Code of Practice. In addition the preferred bidder will be seeking admission to the Local Government Pension Scheme (LGPS) but if this is refused they will provide a broadly comparable scheme as approved by the Government Actuary's Department (GAD). The quantification of risk and funding arrangements in this area is set out in appendices 3 and 4.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 29 The legal powers to pursue the procurement as outlined in this report are contained in the Local Government Acts 1972, 1999 and 2000. The power to provide leisure facilities derives from the Local Government (Miscellaneous Provisions) Act 1976. The procurement process itself is governed by the EU procurement Rules (as embodied in UK law by the Public Contracts Regulations 2006). The Council's Policy Framework and Budget are silent on the issue of a Sport and Recreation Partnership. The Cabinet will need to make their decisions in accordance with the Council's normal statutory duties, e.g. the duty to achieve best value in the manner in which it discharges its functions under the Local Government Act 1999 which requires all best value authorities, such as Southampton to: "...make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". [Local Government Act 1999 – Section 3]

Other Legal Implications:

- 30 The Solicitor to the Council is also the City Council's Monitoring Officer and therefore needs to ensure that at all times the City Council is acting lawfully and within its powers. Prior to doing so, the Solicitor of the Council may need to seek Counsel's opinion that the Council is exercising requisite powers.

POLICY FRAMEWORK IMPLICATIONS

- 31 The 2008/09 Corporate Improvement Plan identified "To develop a long term strategy to address the future management of and secure sustainable investment in the City Council's sports and recreation facilities" as one of the key actions for the Leisure and Culture Portfolio. This paper proposed the long term strategy referred to in the Corporate Improvement Plan.

SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Appendix 1 – Details of objections received relating to leasing of Open Space within Partnership
2.	Appendix 2 – Scheme of proposed officer delegation for Package 1 (Confidential)
3.	Appendix 3 – Information on Final Tenders Received (Confidential)
4.	Appendix 4 – Key Financial Information and Implications (Confidential)

Documents In Members' Rooms

1.	None
----	------

Background Documents

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	Cabinet Report A13 28 July 2008	
----	---------------------------------	--

Background documents available for inspection at: online

FORWARD PLAN No: LH03767 **KEY DECISION?** YES

WARDS/COMMUNITIES AFFECTED:	All
------------------------------------	-----

This page is intentionally left blank

Appendix 1 - Objection letters received for intended disposal of open space land.

Sport and Recreation Partnerships

Below is the wording that was included in advertisements in the Daily Echo 30th November and 7th December 2009

Included in the proposed Partnership is the management of some sports pitches and related facilities which are based within some of the City's parks. The leases which the Council is seeking to agree relate to the sports pitches and it is not the Council's intention to dispose of any other part of the Parks by lease or any other means. The Council will retain full freehold ownership of all the parks playing pitches and facilities contained within the proposed Sport and Recreation Partnership.

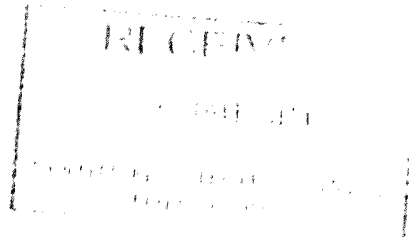
The pitches and facilities designated as Open Space included in the proposed Partnership are:

- Southampton Sports Centre
- Southampton Alpine Centre
- Outdoor Paddling Pool on Southampton Common
- Sports Pitches at Lordshill Recreation Ground
- Sports Pitches at Mayfield Park
- Sports Pitches at Green Park
- Millbrook Recreation Ground
- Sports Pitches at Veracity Recreation Ground
- Sports Pitches at Riverside Park
- Open Space at Chamberlayne Leisure Centre
- Sports Pitches at Hoglands Park

In addition, the Council is seeking a Management and Operation Partner for Southampton Municipal Golf Course.

In line with Section 123 of the Local Government Act (1972), the Council is required to advertise its intention to agree leases to ensure that members of the public have the opportunity to make any comments about the Council's proposals. This will be done on two separate occasions – 30 November and 7 December 2009 and anyone who wishes to make a comment on the proposals can do so until 7 January 2010.

SIRPPE8



5 January, 2010

Dear Mark Heath,

We understand that it is part of a Tory proposal to hand over the management of Southampton City Council's leisure facilities to a private operator for 15 years in a bid to save the taxpayer cash.

We are writing to object to this proposal and are horrified this would even be a consideration. We have yet to hear of any one-privatised scheme that in the long run has saved us any money without negatively effecting the services.

Kind Regards

Mr John and Mrs Sylvia Puckett

- 8 JAN 2010
SOUTHAMPTON CITY COUNCIL
Legal Services

SRPPE12

Mark R Heath
Solicitor to the Council
Legal Services
1st Floor Southbrook House
4-8 Millbrook Road East
SOUTHAMPTON SO151 1YG

6 January 2010

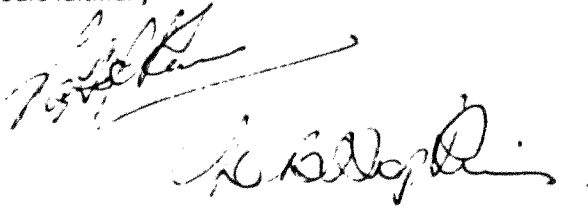
Dear Sir

We are writing to express our objection and concern regarding the above proposal for the Sports Centre. In our view anything in any shape or form that will take away the present Sports Centre facility would be a great loss to the City.

We have lived here for the past 42 years and both we and our children have enjoyed many happy hours at the Sports Centre. The thought that this may be interfered with in any way greatly distresses us. A green space such as this is essential to the residents of Southampton.

We do hope that any proposals the Council may have in mind will not encroach upon the current amenities.

Yours faithfully



P A Hopkins & D B Hopkins

Mr M. R. Heath
Solicitor to the Council
Legal Services
1st Floor
Southbrook Rise
4-6 Mulbrook Rd East
Southampton

SR.PPE13



Reference No RB/EN12/06/6066 MAYFIELD

Intended Disposal of Open Space Land Mayfield Park,
Winton Lane Southampton

Dear Sir,

I wish to object to the above proposal for the Council to dispose of a leasehold interest in the land (Mayfield Park) for the following reason:—

- 1) If there is any intention of building on this land maybe a school, if Dilton College Middle Rd is ~~located~~ being in the same area could this not be used?

According to the will of the 4th Baron Lord Radstock he required the estate should be kept as an open space - therefore NO building.

This land is part of the Estate & should be kept as the will requires OPEN LAND.

Yours faithfully,

Patricia Gormey

to Mark R Heath
Solicitor to Southampton City Council
Legal Services
1st Floor, Southbrook Rise
4-8 Millbrook Road East
Southampton SO15 1YG

from Southampton City Pétanque Club (SCPC)

Concerning the Intended Disposal of Open Space Land – Lordshill Recreation Ground, Frogmore Lane, Southampton – Section 123 Local Government Act 1972 (as amended)

Ref'ce No. PB/EN12/06/6066/LORDSHILL
Plan V2335

We wish to lodge an objection to the proposed disposal of a leasehold interest in the land specified above as outlined in the recent Public Notice.

This formal objection is in essence an expression of serious concern on the part of SCPC that the arrangements following the lease disposal envisaged may fail to take account of and thereby endanger key aspects of our established regular use and enjoyment of facilities at Lordshill. Our hope is for firm assurances on a number of issues as indicated here below, receipt of which would go a long way towards meeting our objection. We are also critical of certain aspects of the process employed thus far in preparing for lease disposals and for consequent changed arrangements.

As a club we have played pétanque and enjoyed social facilities at Lordshill since 1982/3, effectively since the establishment of the Lordshill Outdoor Recreation Centre, to which we moved our playing and social base from Southampton Sports Centre. The then Manager of the Sports Centre (the late John Ripley) was Founder President of our Club (established in 1978); through him we had a significant input into the design and construction of the pétanque terrain at Lordshill. Similarly, in more recent years, we have on occasion been able to advise on appropriate maintenance and refurbishment of the playing area and other improvements; in 2003, additional floodlighting was installed by the City Council, resourced from our own Club funds matched by funding from the Outer Shirley Regeneration Project. The Lordshill terrain remains one of the largest and best in the Southern Region; on it we play league matches, host open, invitation and Regional tournaments, and enjoy friendly play on other occasions, virtually throughout the year.

All of this depends on a close and ongoing relationship with those Council Officers locally responsible for the booking, management and maintenance of the playing facilities. While it cannot be said that such relationships have in recent years been as effective and efficient as they might be – indeed it would be welcome if the proposed new 'partnership' delivered improvements on these dimensions – we do have particular concerns that the established, though to our knowledge insufficiently clear and formalised, arrangements, could very well actually *deteriorate* as a result of the changes envisaged. Although these comments are being made in the guise of a formal objection to the disposal of leases, we are taking this action essentially to try to ensure that what we see as key elements in our continuing ability to use and enjoy the facilities at Lordshill are safeguarded through being reflected/embodyed in any lease and other formal contractual arrangements between the Council and their proposed partner(s).

Our concerns apply not only to our use of the playing facilities, but also to the important 'social dimension' of our activities as a club and as individual users. This is crucially dependent on our being affiliated – again both as a club and as individual members thereof – to Millbrook Rugby Football Club. With MRFC we were among a number of Founder Member clubs making up the later dissolved West Southampton Sports Club, which was established in advance of the opening

of the Outdoor Recreation Centre at Lordshill specifically to seek, negotiate and hold a lease granted by the City Council in respect of a clubhouse and bar facility on the first floor of the pavilion to be built there, as an entirely separate matter in all respects from hiring and use of the changing rooms below and the various pitches etc. The Rugby Club formally took over the original 28-year lease in 1998/9 and it is a matter of ongoing concern both to them and to ourselves that that lease is scheduled for renegotiation with a view to renewal in 2011. While this issue may not be germane to the lease disposals under discussion here, it is certainly relevant to the 'parallel' consultations ongoing around the Oasis Academy project (in which we are actively involved alongside the Rugby Club). It must also be firmly stated here that our hoped-for continuing ability to enjoy playing pétanque at Lordshill is heavily dependent on Millbrook Rugby Club's continuing presence there, specifically as leaseholders on the clubhouse facility.

We do feel that, as an organised group of long-established users of Lordshill Recreation Ground, we might have expected to be specifically consulted about, or at least advised of, the 'partnership' arrangements being developed. We have received no such contact, learning of the plans only via the Public Notices in *The Echo*, or rather, initially via the latter's rather unhelpful article in the same edition which published the Notices. Two of us then visited 'Gateway' to view the relevant map. Our concerns as now expressed here were heightened by: (a) the lack of any indication on that map of either the relation between the parcel of land relevant to this matter and that identified for the Oasis Academy development or, most significantly for us in the current context, that the pavilion houses both changing facilities and the clubhouse and bar leased to Millbrook Rugby Club; (b) the lack of access or offer of same to an appropriate person with whom to discuss these and other relevant matters. One of us has, however, subsequently had a very helpful meeting with the Project Manager, Kieran Humphrey, which has led us to modify considerably the general tone of this submission.

We would welcome an opportunity for one or more representatives of SCPC to share our experience as long-standing users of Lordshill Outdoor Recreation Centre and to discuss our felt needs in respect of future arrangements there in more detail with the appropriate SCC Officers (and/or other appropriate parties), both with a view to ensuring that they are reflected in the drawing up of any leases/contracts involved, and on an ongoing basis as the project goes forward. In the longer term, and touching once more on concerns mentioned above which we have had for some time about the 'uncertainty' of aspects of our existing arrangements in terms of hire and maintenance of the pétanque terrain and surrounding area, perhaps some form of 'service level agreement(s)' would be appropriate and possible between ourselves and those responsible for (a) hiring and managing the playing and associated facilities at Lordshill and (b) maintaining the terrain etc. We would be very happy to participate in an ongoing way in such an arrangement.

In summary, we wish to register the following serious concerns in the form of a formal objection to the proposed lease disposal:

1: We seek assurance that our ability to use and enjoy the facilities at Lordshill on at least no less favourable terms and conditions than heretofore are safeguarded through being reflected/embodied in any lease and other formal contractual arrangements between the City Council and its proposed partner(s). This includes booking arrangements, hiring charges, maintenance and upkeep of the pétanque terrain and its surrounding area (including protective hedges, fencing, gate(s) etc.), together with supporting facilities on-site such as adequate parking,

2: We seek assurance that our essential continued use and enjoyment of the clubhouse facilities, including the bar, will be safeguarded through the renewal of the long-term lease for operation of these facilities by Millbrook Rugby Club on at least no less favourable terms than at present.

3: As long-standing "resident" users of the pétanque terrain at Lordshill we regret the City Council's failure to consult us on the overall Sport and Recreation Partnerships project and on the specific proposal for lease disposals, prior to publication of the required legal

notices.

4: We are disturbed by the appearance given by the absence of relevant information on the available plan (V2335) of a lack of attention to the relationships between the overall Partnerships project (as it affects Lordshill), including lease disposal, and the ongoing Oasis Academy Lordshill proposal, and thence by the possibility of adverse impacts on our enjoyment and use of the facilities presently available to us at Lordshill through any possibly unforeseen interactions between the Oasis Academy proposal and this proposed lease disposal.

for and on behalf of
Southampton City Pétanque Club

Richard Powell (President)
Jill Lovelock (Club Captain)
Robin Lovelock (SCPC/MRFC Liaison Officer)

Copy to:

Sport England (SE)
51a Church Street
Caversham
Reading RG4 8AX
Tel: 0118 948 3311 Fax: 0118 947 5935
Email: infose@sportengland.org

Dear Sir,

Re: PB/EN12/06/6066ALPINE - Plans to sell off Open Space Leases including Sports Centre

I understand that in 1938 the Sports Centre was gifted to the people of Southampton for recreational purposes. I personally believe that the motivation at this time came from a powerful feeling that in order to create a successful and healthy society, it has to be community which is at the heart of things, rather than commerce. I have been in communities where commerce takes a low priority – outsiders with their own commercial interests are not the "drivers", instead decisions are taken by the insiders, the local community – maybe very little money actually changes hands, but instead people bring in skills and work together in order to achieve a common goal, something which will bring benefit to the whole community.

I am also very interested in how we treat children in our city – many of our schools are on cramped sites with little or no green play space/playing fields. During the extensive secondary and primary schools reviews, I understand that no additional land was allocated to any school anywhere in the city – rather schools have been closed and their land earmarked for development – and in this at a time when we know our population is set to increase significantly in future! The result? Even more children squashed onto increasingly inadequate sites. We are often told that a school does not require a playing field – because sports amenities are available nearby which the school may use.

My observation of the Sports Centre (near where I live) is that it is under-used during the day. Why? Because schools, who would not be charged to use their own playing fields, are charged to use it. As a result they don't use it anything like as much as they would use their own grounds.

I am not opposed in principle to someone other than the Council managing the Sports Centre – indeed, I am not convinced that the Council have been the best at managing either sports facilities or schools in Southampton today. What really does concern me however is that by going down what appears to be the "commercial" route, we risk losing the very spirit that brought these places into being in the first place. It seems to me that our elders and betters back in 1938 had understood something very important about community – you give your community, your little people, the best you can – the top land, the highest priority - you make your school the best it can be – you add to it and improve it. To do this means that you will enrich your local community, but you may be acting ways that will bring you absolutely no commercial return – is this so wrong, so unthinkable these days? I find it hard to believe that the 150 acres which makes up the Sports Centre would be allocated so happily to recreational purposes were this decision being taken today rather than back in 1938.

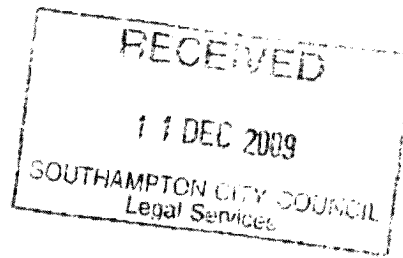
So far, the detail from the Council on the leases being proposed remains rather light. Nevertheless for the decision to go ahead and truly remain in the public interest, there need to be conditions built into any long-term contract which mean that community is not sacrificed in the pursuit of commerce. Based on various ideas and proposals that I have previously seen being considered while the land has been under the management of the Council, might I suggest the following conditions be added to any proposal concerning the Sports Centre?

- 1) No new roads/accesses to be built across the Sports Centre
- 2) No new housing developments to be built on the Sports Centre
- 3) No loss of current facilities
- 4) No school in Southampton should be charged to use the Sports Centre during the school day.

I am sure there is other detail to build in here, but I trust you understand from this what people such as me feel the priorities should be here.

Yours sincerely,

Mrs. Penny Hastings



10th December 2009

Dear Mark R Heath,

I sent in a letter on Monday just before I saw the new notices in the Evening Echo, the letter wasn't as well planned as I would have liked so I am sending a replacement letter today.

The lack of consideration for the public to know about a major change in Council policy for these disposals, followed on by the shortage of time for any objections to be raised and the complete lack of information given out with the notices with a request for objections with little knowledge of what may need to be objected about due to the lack of information.

I want to object about the Sports Centre notice for the "disposal of leasehold interest" because the boundary on the map given out in the Gateway does not represent the boundary of the sports areas, it includes the whole of the Sports Centre area, including the many wooded areas and other parts of the Sports Centre that would not be included if it was only for Sport and Recreation reasons. Although it says Recreation this must mean in the wider sporting sense and not as in a children's recreation area. In the Sports Centre there are many other areas, including natural areas of mixed varieties that I know of, there are mixed trees and grassy areas, rough grassland areas, the heavily wooded areas, open grassland areas and all of these are included in the disposal of leasehold and I object to this because these are not sports areas and they should not be included in the disposal of the lease, the reference number is PB/EN12/06/6066/SPORTS CENTRE. Also the car parks are included in the disposal and I object to this being done as well.

I would like to know if any existing rules could change either before or after the disposal of leasehold, especially afterwards and to know if the contracts allow changes to be made by the preferred partner for each of the 12 venues being considered for the disposal of the leasehold?

I have asked at the Gateway and at another department for more information and there does not appear to be any extra information and you are the contact given, please could you answer the questions so that judgements can be made as to whether other objections may need to be raised?

In my original letter I asked some questions that are relevant and I would like to ask for these to be answered as well and if you cannot provide the answers then please obtain them on my behalf as you are the only way suggested, the contact for this to be done. The questions are;

What are the main reasons for these changes?

What do the Council hope to gain from this?

What does "disposal of leasehold interest" really mean, is there a rent payable or a set amount paid, please fully explain about the changeover for the disposal of the leasehold?

Yours sincerely, Alan Logan.

Alan Logan

From: Alan Logan
Sent: 08 January 2010 15:22
To: Heath, Mark
Subject: The Sports Centre

Dear Mark,

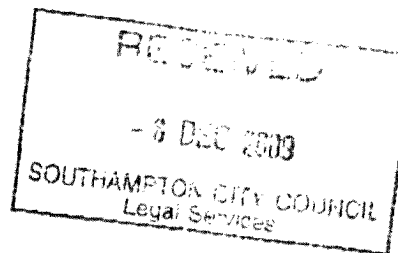
I sent in a letter objecting to the Sports Centre being included in the leasehold because many of the areas included in the lease were not sporting areas and I did not receive any confirmation of you receiving my objection so I would just like to reiterate the objection, in fact the Sports Centre is one whole area given to the given to the people of Southampton in 1938 and it should not have been split up into different areas for different leases, the Sports Centre, the Golf Course and the Alpine Centre, these areas are all the Sports Centre and it should be kept as one area and that is my objection, the numbers are PB/EN12/06/6066ALPINE, PB/EN12/06/6066GOLF and PB/EN12/06/6066SPORTS CENTRE these are all a part of the land given to the people of Southampton and they should be kept as one and not be split up at the Council are trying to do.

Why should it be that the Council is looking to find a partner from private enterprise and to try and help the preferred partner to profit from this 'gift to the people of Southampton' by paying them management fees, by paying for any repairs and by paying for any maintenance and also giving them tax relief of some kind which the rate payer would end up paying for so that the partner can make a profit and the rate payer would be having to contribute towards that process. The Council are only the Guardians of this gift and what is happening to the Sports Centre is not what the people of Southampton would want and it should not be a legal process by using the Local Government Act to do something that in my view will not be seen as the right thing and with little prior consultation with the public beforehand. The process was not given sufficient time for those wanting to know more details so that they could raise better objections about what was happening to the areas mentioned for leasehold disposal and even the official process of asking questions through the FOI Act was discouraged by the Council by saying that it was not prudent to ask questions about certain things in a certain way and they even tried to suggest that a charge would be made as if to stop or limit the enquiries being asked about what could happen as a result of the Council's decision to go ahead with a process that is not what the people of Southampton would want without prior knowledge of all of the details, especially for the Sports Centre.

Why would the Council want to be able to ask a preferred partner to run the collecting of money from football pitches or cricket pitches or the athletics track or skiing or the tennis courts when there is no overall profit to be had from it or is it to find a way for the preferred partner to make money by giving tax relief, paying them management fees and paying for all repairs, maintenance and the upkeep of all buildings so that the preferred partner is guaranteed to make a profit and it is likely that the rate/tax payer will be the ones who pay for this profit. Please may I have all of the details about the way that this will be made to operate at a profit for the preferred partner.

Yours sincerely, Alan Logan.

08/01/2010



7th December 2009

Dear Mark R Heath,

I would like to object to all of the notices of "dispose of leasehold interest" because you have not given out to the public enough information for them to understand what this means or what is intended by the Council or what the future intentions are.

For this to be seen as fair there needs to be a huge amount more information given out publicly and if it is not then it will be challenged.

Even the length of the timescale is unfair and the timing of this over the Festive season seems to be something that could also be seen as unfair.

What are the main reasons for these changes?

What do the Council hope to gain from this?

Why are there other means of objecting to this?

What does the aspect of "disposal of leasehold interest" mean, is it a way of changing the ownership of these areas of land?

If there is any other important information that you know of, to do with the 12 twelve areas for disposal which isn't covered by these questions then please add it into your reply for example, will the existing rules of usage change for any of the 12 areas?

There appears to be no other way of objecting to this but the Council have not given out any information, so although there may be many things people would like to object to they don't actually know what they are, why was it done in this way? Please answer all of the questions.

Yours sincerely, Alan Logan

A handwritten signature in black ink that reads 'Alan Logan'. The signature is written in a cursive style with a long, sweeping underline.

SRPPE11

To Southampton City Council
Customer Services
(Planning Dept)

PLANNING

- 8 JAN

SUSTAINABILITY - 01-2010

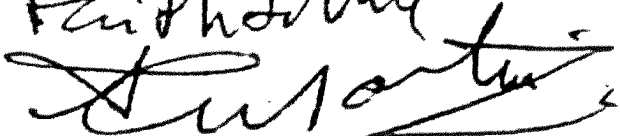
Dear Sirs,

Please pass this to the relevant dept.

I object to the proposed 'disposal' plans announced in respect of various parcels of recreational land. These assets belong to the Council, i.e. the people of Southampton.

It is essential they remain in our 'full' control as beholds special areas of the City, and not treated as profit opportunities for private enterprise.

If they can be operated in a profitable and enhanced style, then why not under our own direct control?

Yours Faithfully


From:
Sent: 08 January 2010 14:58
To: Heath, Mark
Subject: Plans to lease the Sports Centre

Dear Sir, Our residents' association (Underwood and Redhill Residents' Association) has been informed by another RA that the Council plans to sell off leases for the Sports Centre. Our RA, which backs onto the Sports Centre, is long established and a member of the Southampton RA Federation has received no information directly about this plan. I understand that your department is responsible for this activity and I would be grateful if you would let me know what is going on and the plans for resident's input.

Yours faithfully, Chairman Underwood and Redhill Residents' Assn.

This page is intentionally left blank

Document is Confidential

This page is intentionally left blank

Document is Confidential

This page is intentionally left blank

Overview of the work undertaken to date and financial details

1. The examination of options for alternative means of managing Leisure and Cultural Services has been under consideration for some considerable time. In January 2001, Full Council approved the following motion: "This Council believes that some City owned or managed Leisure facilities would benefit from independent sector participation and that officers be requested to bring forward proposals within three months to further these objectives".
2. A number of alternatives were examined and the subsequent Best Value Review of Leisure, Libraries and Culture during 2002/3 included further appraisal of possible alternative options.
3. This indicated that different models could potentially be applied to different areas of Leisure, Culture and Tourism Division (LCT), some more easily than others. There appeared in the early stages to be no "catch all" solution and that the development of a mixed economy that might include Not for Profit Trust, management contracts, Private/Public Partnership models and continued direct management, would be the most probable outcome.
4. Subsequently three service areas have been externalised to management contracts (Guildhall, Fountains Café and Ski Centre), a private/public partnership was established at Millbrook recreation ground, and a full feasibility for the transfer of most of the remaining LCT areas to a Charitable Trust was commissioned.
5. The detailed feasibility for the establishment of a Leisure Trust included all Leisure and Culture services was undertaken. The complexity and scale of such a transfer amongst other things, led to the decision to proceed no further with the option at Full Council in May 2005.
6. An Audit Commission report published in 2006 entitled "Public Sports and Recreation Services – Making them fit for the future" recommended that councils should be "appraising the options for delivering sports and recreation services." It was therefore deemed appropriate that an options appraisal for the management and operation of sport and recreation services should be carried out.
7. The principal financial benefit of the Trust model is in the fiscal relief available, primarily in relation to National Non-Domestic Rates (NNDR) and Value Added Tax (VAT), which are primarily accrued from the Sport and Recreation service as opposed other parts of Leisure and Cultural Services. There was therefore deemed potential in exploring the Trust option for Sport and Recreation and this was included in the options appraisal.
8. The Leisure and Culture Scrutiny panel received a report on 6th Feb 2007, setting out the results of the appraisal. It demonstrated that there would be no net annual saving from establishing a new trust model in the short term.

The fiscal benefits would be virtually eradicated by the additional statutory costs, dislocation costs and the contingency and profit, although the contingency / profit element would not be needed in the long term once the trust had built up adequate financial reserves.

9. The report advised that in establishing a new leisure Trust account has to be taken of the extra costs associated with operating a new independent organisation. These include the costs of disconnecting from the Council:
 - Recruitment of a Finance Director
 - Additional Insurance (the Councils Insurance costs would not significantly reduce as a result of externalising to a trust)
 - Costs of a stand alone financial system
 - Banking and credit card management charges
10. In addition a separate Trust would incur statutory charges in relation to the Companies Act:
 - External audit
 - Company secretary fees
 - Additional independent legal fees
 - Charitable registration
11. Commercial developments could improve this situation but it would be unlikely that a newly created trust could secure significant levels of capital to deliver commercial investment within the first five years of trading. The contingency / profit element of any management fee would need to build up to a significant balance, both to provide investment capital and to assist in developing credibility and assurances with any lenders. The report advised therefore that the problem of property backlog repair and maintenance and future lifecycle costs would not be resolved by this option as all responsibilities and risk would remain with the Council.
12. The report of the 6th February 2007, also presented information regarding the potential of a 10 year management contract for Bitterne Leisure Centre, Chamberlayne Leisure Centre and the Quays Swimming and Diving complex. It proposed that soft market testing for alternative types of contract would be helpful in steering the Council to an appropriate procurement option. Soft market testing subsequently commenced in late 2007. This market testing informed the recommendations of the Cabinet report dated 28 July 2008 which instigated the Sport and Recreation Partnerships project procurement.
13. It is important to note that the tendering process has not excluded established Charitable Trusts from the contract opportunity; indeed the preferred bidder is a registered charity.
14. The tables provide details of the costs of providing the facilities over the last 3 financial years together with a forecast for the current financial year.

Sport and Recreation Facilities

Income / Expenditure		Actual 2006/07	Actual 2007/08	Actual 2008/09	Forecast 2009/10
Income	Fees, Charges & Rents	(3,858,851)	(3,895,154)	(3,828,569)	(3,735,500)
	Grants / Contributions	(49,923)	(23,923)	(17,239)	(249,300)
Income Total		(3,908,774)	(3,919,077)	(3,845,808)	(3,984,800)
Expenditure	Salaries & Wages	2,807,611	2,703,567	2,713,568	2,902,400
	Other Employee Costs	91,281	113,265	132,674	125,900
	Premises Costs	872,594	946,095	1,001,680	1,008,500
	Transportation Costs	51,273	50,497	40,533	39,100
	Supplies & Services	1,015,743	1,064,812	830,161	764,100
	Internal Recharges	7,212	1,176	1,400	0
	Internal Charges	34,051	18,046	20,799	5,100
Expenditure Total		4,879,765	4,897,458	4,740,815	4,845,100
Total		970,991	978,381	895,007	860,300

Note 1

Marketing		146,182	215,355	308,985	318,873
Overheads		309,078	362,398	323,916	276,612

Grand Total		1,426,251	1,556,134	1,527,908	1,455,785
--------------------	--	------------------	------------------	------------------	------------------

Corporate Repairs and Maintenance 389,000 389,000 389,000 389,000 Note 2

Total Including Corp R&M		1,815,251	1,945,134	1,916,908	1,844,785
-------------------------------------	--	------------------	------------------	------------------	------------------

Capital Expenditure		0	0	0	240,000
----------------------------	--	----------	----------	----------	----------------

Note 3

Notes

1. Internal charges include landscaping work, off street parking and building contracts.
2. Based on 6 year average.
3. Quays extension plus section 106 funding for pitch improvements.

Golf

Income / Expenditure		Actual 2006/07	Actual 2007/08	Actual 2008/09	Forecast 2009/10
Income	Fees, Charges & Rents	(486,222)	(469,232)	(472,988)	(523,000)
	Grants / Contributions	0	0	0	0
Income Total		(486,222)	(469,232)	(472,988)	(523,000)
Expenditure	Salaries & Wages	64,005	64,333	99,901	90,071
	Other Employee Costs	2,293	2,879	1,945	2,616
	Premises Costs	9,526	18,355	48,386	25,361
	Transportation Costs	0	0	180	114
	Supplies & Services	19,565	18,674	15,453	21,039
	Internal Charges	937	902	1,185	0
Expenditure Total		96,326	105,143	167,050	139,200
Total		(389,896)	(364,089)	(305,938)	(383,800)
Marketing		9,256	8,690	12,626	12,245
Overheads		32,538	29,953	32,403	26,629
Grand Total		(348,102)	(325,446)	(260,909)	(344,926)
Grounds Maintenance		274,074	271,257	304,200	304,500
Total Including Grounds Maintenance		(74,028)	(54,189)	43,291	(40,426)
Capital Expenditure		0	0	0	0

Agenda Item 7

ITEM NO: 7

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE		
SUBJECT:	FORWARD PLAN		
DATE OF DECISION:	3 RD MARCH 2010		
REPORT OF:	HEAD OF POLICY AND IMPROVEMENT		
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	Suki.sitaram@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			

SUMMARY

This item enables the Overview and Scrutiny Management Committee to examine the content of the Forward Plan and to discuss issues of interest or concern with the Executive to ensure that forthcoming decisions made by the Executive benefit local residents.

RECOMMENDATIONS:

- (i) That the Committee discusses the Forward Plan item relating to disposal of land in Derby Road to highlight any matters which Members feel should be taken into account by the Executive when reaching a decision.

REASONS FOR REPORT RECOMMENDATIONS

1. To enable Members to identify any matters which they feel the Cabinet should take into account when reaching a decision.

CONSULTATION

2. The Forward Plan is considered by the Overview and Scrutiny Management Committee as a key part of the Council's decision-making consultation process.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None.

DETAIL

4. The Forward Plan for the period January – April 2010 included an item on the Disposal of Land in Derby Road. At its meeting on 18th January 2010, the Cabinet considered the report of the Cabinet Member for Housing and Local Services, in consultation with the Cabinet Member for Resources and Workforce Planning, seeking authority to dispose off land at Rope Walk, Derby Road, subject to the outcome of further consultation on options for the land with the local community. This decision was deferred from 18th January 2010 Cabinet for further consultation on alternative ideas and/or options other than housing. The decision is due to be considered at the Cabinet meeting on 15th March 2010.
5. At its meeting on 18th February 2010, the Overview and Scrutiny management Committee considered the Forward Plan for the period March – June 2010

and this included the item on the disposal of land in Derby Road. Given the level of public interest in this issue, the Overview and Scrutiny Committee (OSMC) has identified this Forward Plan item for discussion with the Cabinet Member for Housing and Local Services. As the next planned OSMC meeting is after the Cabinet decision date (15th March 2010), the OSMC members want to consider this Forward Plan item at the special OSMC meeting on 3rd March 2010. Details of the consultation on this issue are attached at Appendix 1.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

7. The details will be set out in the Executive decision making report issues prior to the decision being taken.

Revenue

8. The details will be set out in the Executive decision making report issues prior to the decision being taken.

Property

9. The details will be set out in the Executive decision making report issues prior to the decision being taken.

Other

10. The details will be set out in the Executive decision making report issues prior to the decision being taken.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000.

Other Legal Implications:

12. None.

POLICY FRAMEWORK IMPLICATIONS

13. None.

SUPPORTING DOCUMENTATION

Appendices

1.	Derby Road Consultation
----	-------------------------

Documents In Members' Rooms

	None
--	------

Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
------------------------------	--

	None	
--	------	--

FORWARD PLAN No: N/A

KEY DECISION No

WARDS/COMMUNITIES AFFECTED: All

This page is intentionally left blank

SUBJECT: Ropewalk, Derby Road - Consultation
DATE: 3rd March 2010
RECIPIENT: Overview and Scrutiny Management Committee

SUMMARY:

Land at the former Neighbourhood Advice Centre and its car park are now surplus to council requirement. Local community stakeholders were consulted on the future of the site on 11th February 2010. This report outlines the feedback from this consultation.

BACKGROUND and BRIEFING DETAILS:

BACKGROUND

1. Land at Rope Walk comprises of two elements. Firstly, the Neighbourhood Advice Centre (and car park) which was decommissioned as part of the 2009/10 budget setting process. The centre was closed in May 2009 and the service reconfigured to form the Housing and Money Advice Service relocated at Southbrook Rise. This service now has a strong focus on providing an outreach service throughout the whole of Southampton. The council now wishes to dispose of this surplus property.
2. Secondly, at the rear of the Centre is the former Neighbourhood Advice Centre is the Ropewalk Community Garden. This is managed by a group of volunteers, who give their time to a range of activities from gardening to arts and crafts. The 'Friends' of the Garden are a legally constituted body who have attracted funding and support from agencies such as the Environment Centre, University of Southampton and Groundwork. The council supports the continuation of this project and the provision of the garden within the inner city.
3. Both sites are currently in the General Fund and are part of the Housing and Local Services portfolio.
4. Consultation (from October to December 2008) regarding changes to the Neighbourhood Advice Service was undertaken as part of the council's 2009/10 budget setting process.
5. The council had initial discussions with Hyde Martlet Housing Association about selling the Neighbourhood Advice site to develop more affordable homes. Following requests from community representatives at a meeting of the Council's Cabinet on 18th January 2010 the council decided to consult more widely on the possible future uses for the site. In other words if the site was not to be used for housing what might it be used for. Key stakeholders in the community were invited to a drop-in event held in the former Neighbourhood Advice Centre on Thursday 11th February 2010 where plans of the site were on display. Stakeholders were also invited to provide comments in writing or by telephone.
6. 244 people attended the drop-in event on 11th February 2010, 92 people provided feedback comments and 11 people provided comments prior to the event.

APPENDIX 1 - Confidential

7. Community consultation suggested the following uses for the site as listed below with a strong preference for the provision of community facilities.
- To provide community facilities
 - Use by the Pakistani Welfare Association
 - Use as an Advice Centre
 - Used for play/young people
 - Used for the elderly
 - Used for education
 - Used by the Mosque
 - Not to be used for housing
 - Used for a soup run
 - To be kept as open space
 - Used for secular use
 - Used for a car park to enable those whose homes back onto the site have rear access by car
 - Used for women's groups
 - Used for a Somali centre

OPTIONS and TIMESCALES:

8. A report is due to come forward to the council's Cabinet on 15th March 2010 with a proposal for the way forward on this site.

Appendices/Supporting Information:

**Further Information Available
From:**

Name: Barbara Compton – Head of Housing Solutions
Tel: 023 80832155
E-mail: barbara.compton@southampton.gov.uk