

RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

1. Decision Taken:

To approve the payment of £3,080 for the planning application fee for the North Herts Leisure Centre capital project.

2. Decision Taker: Chief Executive

3. Date Decision Taken: 29 June 2015

4. Summary of Background:

Reports were presented to Cabinet on 16 June 2015 seeking approval for the North Herts Leisure Centre project and variation to the Letchworth leisure management contract. Below is an extract of the decision sheet that sets out the resolutions:-

17. LETCHWORTH LEISURE MANAGEMENT CONTRACT AND DEVELOPMENT OF NORTH HERTS LEISURE CENTRE (NHLC) RESOLVED:

- (1) *That the variation to the Letchworth Leisure Management Contract, as set out in Paragraph 8 and Appendix 1 of the report, be agreed; and*
- (2) *That it be agreed to proceed with the project, subject to tender bids for the build element for all of the agreed capital budgets for the North Herts Leisure Centre (NHLC) coming in within the overall budget allocated.*

REASON FOR DECISION: *To develop the NHLC to ensure the facility is fit for purpose and to improve the financial and operational performance of the NHLC in line with Cabinet's decision at its meeting held on 16 December 2014.*

14. LETCHWORTH LEISURE MANAGEMENT CONTRACT AND DEVELOPMENT OF NORTH HERTS LEISURE CENTRE (NHLC) RESOLVED:

- (1) *That the quality aspects of the variation to the contract, as set out in Paragraph 8 and Appendix 1 to the report, be agreed; and*
- (2) *That the variation of the remaining part of the contract to commence at the completion of the project, as set out in Paragraph 8 and Appendix 1 of the accompanying Part 2 report, be agreed and, subject to this:*
 - (a) *it be agreed to proceed with the project subject to tender bids for the build element for all of the agreed Capital budgets for the NHLC coming in within the overall budget allocated; and*
 - (b) *it be agreed to re-profile the Capital budget and to bring forward £67,000 to enable the Council to complete the 2 stage procurement and gain a full breakdown of the construction costs.*

REASON FOR DECISION: *To develop the NHLC to ensure the facility is fit for purpose and to improve the financial and operational performance of the NHLC in line with Cabinet's decision at its meeting held on 16 December 2014.*

Although Cabinet have agreed for this project to proceed, Overview and Scrutiny Committee have called in this decision. A meeting of Overview and Scrutiny

Committee has been planned to take place on 6 July 2015 and Cabinet to take place on 7 July 2015.

Due to this decision being called in it will hold up the planning application which is on the critical path for the project. Although the cost of the planning application has been included in the entire project costs, officers identified in the Cabinet report in para 10.6 there were costs including this that need to be paid earlier than originally advised to the Council.

The planning application is currently scheduled to be presented at the August Planning Control Committee. This is based on the planning application fee being submitted and paid by 29 June 2015. If the fee is paid later than this planning officer will not have sufficient time to complete the application and a decision will be taken at the 17 September 2015 meeting. The planning decision is an item that is on the critical path, therefore, if the fee is not paid by 29 June this will delay the project by just under a month.

5. Directorate: Customer Services

6 Notification Date: 29 June 2015

7. Reason for Decision:

To enable the planning application to be decided at the August committee which will ensure the project remains on schedule.

To protect the Council's financial position as for every month the project is delayed this will reduce the contractual contribution from SLL by £18,398.

8. Other Options Considered:

No other options have been considered as this task is on the critical path and delaying the submission of the planning application will have an impact on the project by approximately a month if Cabinet decide to proceed with the scheme.

9. Consultations:

Consultation has taken place with the Portfolio Holder for Leisure. The Chairman of the Council and Overview & Scrutiny have both been consulted and have no objections to the action proposed in this report.

10. Legal Implications:

The Decision Taker signing this Notice has the correct delegated authority to take such decision as the Chief Executive Officer for the Council in accordance with the North Hertfordshire District Council Constitution Part A Section 14 subsection 14.6.5 (a) (iv).

11. Financial Implications:

The contract variation that SLL have proposed will provide the Council with an increased payment of £18,398 per month, linked to RPI. The cost of the planning application fee is £3,080, therefore, the Project Manager would advise that authorisation is given to pay the planning application fee, as the potential loss to the Council is significantly greater than the cost of this fee and this will ensure the project remains on schedule.

As there is currently no budget to pay for the planning application, a virement of revenue from the Customer Services Directorate budget will be used and this money will be vired to the capital budget if approved.

12. Risk Implications:

The main risk that has been identified for this decision is the financial risk regarding the leisure contract payment that has been explained in section 10. If following Overview & Scrutiny Committee, Cabinet or Council decide not to proceed with the project the Planning Application fee will nevertheless be a development cost that will need to be paid by the general fund alongside other identified costs of £105,000.

13. Equalities Implications:

The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5th April 2011. There is a General duty, described below, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

Should the proposals to improve the NHLC come to fruition, they will provide greater leisure opportunities, and importantly an increased capacity for people of all ages to learn to swim than currently exists, given local waiting lists for lessons.

14. Social Value Implications:

As the recommendations made in this report relate to the award of a public service contract, 'social value' must therefore be captured and reported in accordance with the Public Services (Social Value) Act 2012.

The proposed improvements are made through an existing and highly successful contractual arrangement with Stevenage Leisure Limited, a Social Enterprise; the objects of the charity include, widening opportunity for local individuals to participate in healthy leisure, physical and performing arts activities. In doing so they offer a wide range of local jobs across a range of skills with any surpluses in income generated through their operations reinvested into the facilities for the benefit of customers and staff, and in the reduction of contractual costs for the Authority too.

15. Human Resource Implications:

None applicable to this decision notice.

16. Background Papers:

16 December Cabinet Report - Proposed Improvements to the North Herts Leisure Centre.

16 June 2015 Cabinet Report - Letchworth Leisure Management Contract & Development of North Herts Leisure Centre

Signature of Decision Taker.....

* Date decision to appear in MIS

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