

**JOINT MEETING OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL  
AND THE HEALTH AND WELLBEING SCRUTINY PANEL**

**MONDAY 29 JANUARY 2018 AT 10.00AM**

**PRESENT:** Councillor Mrs Riddle (Chairman), Councillors Allison, Birks, Bloxham (as substitute for Councillor Layden), Mrs Bowman, Burns, Ellis, Mrs Glendinning (until 1:21pm), Mallinson E, Mallinson J, McDonald, McNulty, Paton (until 1:23pm), S Sidgwick, Shepherd (as substitute for Councillor Robson) and Watson.

**ALSO PRESENT:** Councillor Quilter – Culture, Leisure and Heritage Portfolio Holder  
Councillor Bradley – Economy, Enterprise and Housing Portfolio Holder  
Mr Paul Denson – Pick Everard  
Mr Mark Dando – Pick Everard  
Simon Dunstan – GT3 Architects  
Paul Reed – GT3 Architects  
John Finlayson – Buro Happold  
Duncan Ker-Reid – Buro Happold  
Tom Rice – Greenwich Leisure Limited  
Councillor Bainbridge – (Observer)  
Councillor Finlayson – (Observer)

**OFFICERS:** Deputy Chief Executive  
Deputy Chief Finance Officer  
Contracts and Community Services Manager  
Policy and Communications Manager

**SJSP.01/18      APPOINTMENT OF CHAIRMAN**

RESOLVED - That Councillor Mrs Riddle be appointed Chairman for the meeting.

**SJSP.02/18      APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillor Layden and Councillor Robson.

**SJSP.03/18      DECLARATIONS OF INTEREST**

There were no declarations of interest affecting the business to be transacted at the meeting.

**SJSP.04/18      PUBLIC AND PRESS**

RESOLVED - It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

**SJSP.05/18      SANDS CENTRE REDEVELOPMENT**

The Chairman welcomed Messrs Denson, Dando, Dunstan, Reed, Finlayson, Ker-Reid, and Rice to the meeting.

The Chairman advised that as the Special Meeting comprised two Panels, in order to retain sovereignty over the scrutiny of those aspects of the Sands Centre Re-development project

relevant to the remits of the individual Panel, each Chairman would put forward recommendations on behalf of their respective Panel.

## **OVERVIEW OF THE PROPOSED DEVELOPMENT**

The Contracts and Community Services Manager presented report CS.10/18 Sands Centre Redevelopment, and he outlined the history of plans to redevelop the Sands Centre, noting that the aging of The Pools facilities on James Street had been a significant factor in the Council retaining the ambition to provide new sporting facilities in the city. In 2013 the Council had adopted the Sports Facilities Strategy 2013 – 2025 which had been based on an indoor and outdoor facilities needs assessment and set out the authority's vision for sports facility development in the district. The Strategy recommended that a replacement swimming pool, additional sports hall and improved health and fitness facilities be developed at the Sands Centre to maximise the benefits of the site's strategic location, and the generation of operational efficiencies and cross subsidisation as a result of the co-location of sports and cultural facilities in one venue.

Following the adoption of the Strategy, the Council had continued to explore redevelopment options in tandem with its re-tendering of the Leisure Contract. The Contracts and Community Services Manager provided an overview of the re-tendering process and noted the importance of the new contract in enabling the Council to fund a proportion of the Sands Centre redevelopment. The new Leisure Contract had been approved by the Executive in November 2017 and made provision for an annual subsidy to Greenwich Leisure Limited (Principal Leisure Operator) to operate the Council's Leisure Facilities in their current format. Following the completion of the Sands Centre Redevelopment the Council would receive payment from Greenwich Leisure Limited that, over the life of the contract would result in a significant net payment to the Council.

In the summer of 2017, the Council had commissioned a design team to work up a Royal Institute of British Architect's (RIBA) Stage 2 Outline Design for the Sands Centre, incorporating full cost estimate and anticipated programme of works. Pick Everard and GT3 had been selected by means of competitive tender to realise the project management and design roles.

In response to questions from Members the Contracts and Community Services Manager advised:

- An outline Business Plan for the Sands Centre Redevelopment had been considered by the Executive in May 2017 when the Leisure Contract Re-tender exercise had been ongoing. The Plan concluded that relocating the swimming pools only would cost the operator, and ultimately the Council circa £400,000 more than building a full sports and leisure facilities mix on one site. Consequently, the new Leisure Contract incorporated the delivery of a full facilities provision on a single site thereby providing contractual certainty for both the Council and Greenwich Leisure Limited as Principal Leisure Operator. The Contracts and Community Services Manager further noted that the work undertaken on plans for the redevelopment of the Sands Centre, as detailed in the report, were provided to assist Members in understanding the project and aiding the Council's consideration as to whether to proceed with the scheme.
- Responding to concerns raised by a number of Members regarding the possibility of future flooding of the Sands Centre facility, the Contracts and Community Services Manager explained that in 2005 the facility had not flooded and in 2015 only minor damage had occurred at the site. He acknowledged the new facility would comprise a greater amount of equipment and systems, but noted that mitigation measures would be incorporated into the design with a view to decreasing the likelihood of a flood event occurring at the site.

- The identification of the ownership of the land in the Risk Register contained within the report was a standard matter raised in project management procedures for schemes of this nature. The Contracts and Community Services Manager undertook to provide written confirmation to Members that the Sands Centre site was owned by the Council.

## **THE SANDS LEISURE CENTRE STAGE 2 REPORT PRESENTATION**

*Mr Dunstan and Mr Reed (GT3 Architects)* delivered a presentation to the Panel covering: the RIBA plan process and stages; site analysis including location, movement framework, micro-climate, area character, existing structures at the site, conservation and Listed Structure in the area, zoning and routing, site constraints and opportunities, local colour palette of urban and rural landmarks; the history of the site; the design brief and concept design including the relationship between sport and events space within the proposed new facility, and proposed floor and section plans.

Mr Dunstan explained that as architects of the design stage, GT3 had sought to create a scheme with a broad range of facilities to meet the needs of the communities in the district. The proposed scheme was a unique mixture of sporting and cultural facilities closely located to the urban centre. In terms of addressing flood mitigation measures, he noted that the Buro Happold Engineers had been considering those matters in their work on the scheme.

The following observations and comments were raised in discussion:

- Would the number of car parking spaces provided at the site be reduced?

Mr Reed advised that a number of car parking spaces would be removed from the site to accommodate the new, extended building, although a full transport study would be required to ascertain the exact number of spaces.

Concerns were expressed by a number of Members that the site was not directly accessible by public transport and that residents from the rural areas and the suburban edge of the city necessarily needed to use motor vehicles to access the site and that reducing the number of car parking spaces would negatively impact them. It was noted that the new facility was likely to increase footfall to the site and assurance was sought that the level of car parking provision would be sufficient to meet demand.

The Deputy Chief Executive noted that there were a number of other Council owned and operated car parks in the vicinity of the site and consideration would be given as to how these may be utilised by users of the new Centre, as the project progressed, were Council to approve it.

Mr Dunstan stated that a Travel Plan for the scheme would consider the matter of public transport to the site which was currently difficult for buses to access. Furthermore, it was intended that the design of the car park would be altered to make it more pedestrian and cyclist friendly, giving greater priority to those users than was afforded in the current layout.

A Member asked whether consideration would be given to removing the provision of permitted parking for Council staff at the Swifts Bank car park in order to provide more spaces for Sands Centre users.

The Deputy Chief Executive responded that such matters would be addressed in the next stages of the scheme, were it to secure Council approval. He noted that it was likely that the peak demand times for Sands Centre users would be evening and weekends, when the Swifts Bank car park was not used by Council staff. He was confident that the Council was able to make sufficient car parking provision for those using the Sands Centre.

- Would the multi-purpose use of the concert hall for both cultural events as well as sports be retained in the new facility?

The Contracts and Community Services Manager advised that the multi-purpose nature of the concert hall would be retained so that there was overall flexibility of use within the spaces at the site. The concert hall's primary function would be the delivery of cultural events as it was anticipated that sports provision would be adequately provided for within the remainder of the scheme.

- Had archaeological investigations been carried out at the site?

Mr Dunstan noted that the Sands Centre site had previously been developed during the construction of the existing building. The project had not advanced to the stage where the Validation requirements of the Local Planning Authority had been identified, however, given the location of the site and the knowledge that archaeological artefacts had been discovered in the development of another site in the immediate area of the Sands Centre, those involved with the project would keep a watching brief on the issue going forward.

The Member further commented that she would have like to have seen the disability, equality and environmental impact assessments for the scheme, however, she recognised that the project was in the early stages of development.

Responding to a further question from a Member, Mr Dunstan advised that the void in the first floor over the sports hall area was necessary due to the hall requiring a double height ceiling space.

- A Member requested further detail on the inclusion of a space for National Health Service (NHS) use in the proposed scheme.

The Deputy Chief Executive advised that Officers had been in dialogue with the hospital regarding the provision of a space from which NHS services such as physiotherapy could be delivered. Officers felt that the inclusion of such provision within the scheme was helpful in alleviating pressures on services and the hospital and beneficial in providing health and wellbeing services to Sands Centre users. He advised that no formal decision had been taken and that discussions with the NHS on the matter were ongoing.

The Member responded that should the hospital wish to utilise space within the new centre to deliver services, the Council needed to secure a Letter of Intent from the NHS at the earliest opportunity in order that the relevant design specifications were able to be included in the scheme.

- Would the redeveloped site be accessible to mobility scooter users?

Mr Reed explained that site accessibility was a key consideration in the design phase of the project and it was planned that the whole facility would have level access to enable wheelchair and mobility scooter users to enter and use the site.

- Had the Council in commissioning the design brief requested that proposals for other sites in the city be developed?

Mr Dunstan responded that the Council had only indicated the existing Sands Centre site for the new facility. In developing the brief designers had sought to create a facility that would meet the needs of all users.

- Had the Greenwich Leisure Limited been involved in the design stage of the proposed scheme?

The Contracts and Community Services Manager confirmed that Greenwich Leisure Limited, following its appointment as the Council's Principal Leisure Contractor had been closely involved in the design stage.

- What opportunity would the Council's Scrutiny Panels have to contribute to the project going forward?

The Deputy Chief Executive outlined the next steps for the project in the Council's democratic decision making process. He drew Members' attention to the RIBA Design Plan stages detailed in the presentation and suggested that Members may wish to receive further reports at the end of each stage.

The Chairman invited the Chairman of the Health and Wellbeing Scrutiny Panel to summarise the points and recommendations made by the Members of that Panel.

The Chairman of the Health and Wellbeing Scrutiny Panel noted that Members had overall expressed support for the scheme, with their central concerns relating to car parking, disability access, the presence of archaeological artefacts at the site, and the securing of a Letter of Intent from the NHS to occupy a suite within the Centre.

The Chairman (in her capacity as Chairman of the Business and Transformation Scrutiny Panel) noted that Members had considered the development of a full Transport Strategy and Travel Plan for the site to be exceedingly important, and that any agreement with the hospital regarding the provision of NHS services at the redeveloped Centre needed to be concluded at the earliest opportunity.

## **EMPLOYER'S AGENT PRESENTATION**

*Mr Denson and Mr Dando (Pick Everard)* delivered a presentation covering the following: the Employer's Agent Team members, roles and Leads; the principles of the RIBA Plan of Work; cost estimates for the project; summary of the programme; key project risks including Consequential Improvement costs, flood zoning, programme slippage and project affordability; the procurement process for the Principal Contractor; the benefits and risks associated with both the Official Journal of the European Union (OJEU) tender process and alternative OJEU compliant National Frameworks procurement models.

Mr Denson stated that publicly funded projects costing in excess of £4.2M had to use the OJEU process to ensure an open tender for the Principal Contractor, were Council to approve the scheme in March 2018, the project would move into Stage 3 of the RIBA Plan of Works. Stage 4 would formally invite contractors to tender for the Principal Contractor role, and those who chose to bid would need experience of swimming pool construction as such works required particular expertise to carry out. He noted most firms which secured Principal Contractor appointments did so through a National Frameworks method and that would provide the Council with confidence in the construction of the centre through the use of an experienced contractor.

The RIBA Plan of Works afforded a four week time period from the deadline for the receipt of tenders to be considered prior to the Council selecting its preferred Principal Contractor. Mr Denson noted that it would be advantageous to the delivery of the project for the Principal Contractor to be selected as early in the process as possible in order that they may begin to undertake ground work investigations with a view to mitigating against delays in the project programme as a result of, for example, finding archaeological artefacts.

At the current stage of the project it was expected that the redeveloped Sands Centre would open to the public in the summer of 2020, following which the Principal Contractor had a 1 year liability for defective works, and an 11 year period of liability for latent defects. Any defects identified in those periods would be addressed by the Principal Contractor at their cost. In conclusion, Mr Denson recommended that the Council give approval to Pick Everard to explore a National Frameworks approach to the procurement of the Principal Contractor, rather than the OJEU method.

In discussion the following observations and comments were made:

- A Member understood that the OJEU process for appointing a Principal Contractor may take a year to complete, she expressed concern that such a time frame had not been factored into the Plan of Works, and that were the OJEU method to be used, the process may lead to the project falling behind time.

In response Mr Denson acknowledged that the OJEU method was a risk to the project meeting its delivery timetable, he reiterated that the National Frameworks outlined in his presentation were OJEU compliant and he hoped that the Principal Contractor may be selected in tandem with the detailed design phase of the project through a Pre-Construction Services Agreement.

- What was the range of the financial value of projects covered by the Frameworks referred to in the presentation?

Mr Denson advised that the total value of the project was £19,466,765 excluding £655,000 allowed by the Council and Greenwich Leisure Limited for temporary facilities and VAT. The North West Construction Hub Framework covered projects costing up to £10M, and the Scape Group National Construction Frameworks comprised contractors delivering projects of the following ranges: £2M - £20M and £10M - £50M

A Member sought assurance that the Principal Contractor would appoint sub-contractors using the locally approved CHEST Framework.

Mr Denson explained that an OJEU compliant contractor was required to demonstrate a specified percentage of expenditure locally relating to the use of sub-contractors, and that Pick Everard as Employer's Agent would explore the matter with the Principal Contractor, however, the CHEST Framework may not be the method by which the sub-contractors were appointed.

The Member responded that she wished for any sub-contractors used in the construction of the scheme to be compliant with the CHEST Framework, and that apprentice training be provided by those companies.

Mr Denson stated that the Principal Contractor would be keen to only use reliable contractors as they would be financially liable for all works carried out at the site.

The Contracts and Community Services Manager explained that it was important for Members to clearly distinguish between works and defects issues, he asserted that the Council would appoint sub-contractors via the CHEST were financial thresholds to be exceeded.

- Would the requirement for the Principal Contractor to have experience of constructing swimming pool and leisure facilities make the tender process open to legal challenge by firms interested in the work who did not have such experience?

Mr Denson explained that the construction of leisure facilities and swimming pools in particular required specialist experience, and whilst he acknowledged that such a criteria may prevent smaller local firms for tendering for the role of Principal Contractor, it was anticipated that local firms would be contracted to construct particular areas of the scheme in line with the design brief and as specified by the Principal Contractor.

- Had a list of approved sub-contractors been identified?

The Contracts and Community Services Manager stated sub-contractors would be identified, once the Principal Contractor was confirmed.

- With reference to the risks and cost of the project as detailed in the report, a Member sought clarification as to the total cost of the project.

Mr Denson explained that the £19.46M figure quoted in the report was the total outturn figure for the scheme excluding V.A.T and the provision of temporary facilities during the construction phase of the project.

The Contracts and Community Services Manager added that the £19.46M anticipated cost of the project included £1.3M for Consequential Improvements required by Building Control, professional fees and a contingency fund allocation.

A Member asked whether the contingency made allowance for a delay to the project in the event of archaeological materials being found at the site.

Mr Denson responded that the project was in the very early stages and he undertook to ensure that the finding of archaeological materials be included in the project's Risk Register and that discussions would take place with the project designers and the Local Planning Authority in order that all matters relating to the issue were adequately addressed.

- Were there plans to include renewable energy sources in the scheme?

Mr Finlayson (Buro Happold) advised that renewable and low carbon technologies would be a key factor in the construction of the redeveloped Centre and consideration would be given to systems that would provide opportunities for payback for the Council. The Consequential Improvements required by Building Control indicated, as a guide, that 10% of the total build cost be used in making improvements to meet current standards, therefore combining the old and new parts of the Centre afforded the Council the scope to provide a building with improved energy performance.

- What governance arrangements were in place to manage and monitor the project?

The Deputy Chief Executive explained that, were the project to be approved by Council governance arrangements, including Officers and Members would then be developed and agreed by the Executive. Reportage to the Council's Scrutiny function would be managed through the relevant Panel's Work Programmes.

The Member responded that she felt Councillor involvement in the project was particularly important given the scale and cost of the project, and that the Scrutiny Panels should receive regular updates on the progress of the project in order that Members be kept abreast of developments.

- What arrangements were in place for those wishing to use the Sands Centre during the construction phase?

The Contracts and Community Services Manager advised that in essence the area to the left of the Hall in the current building was to be demolished which included the gym and bar and that a new, extended facility would be constructed in its place. The hall had a previously agreed programme of events occurring during the construction phase and would therefore remain open during the entire redevelopment works. It was intended that temporary, replacement facilities of those areas of the existing site would be provided for the duration of the construction phase of the project.

- How had the central area at the entrance been included in the design and had it added £5M to the project costs?

Mr Dunston noted that the central area known as “The Street” had been incorporated into the design for two main reasons: it provided an attractive entrance and congregational space for users of the facilities, and it acted as a foyer for the theatre. He noted that some cultural events in the Hall may attract up to 2,000 visitors and in order to manage their exiting of the building safely a large area was needed.

In terms of increased budgetary costs for the project, Mr Dunston asserted that was as a result of the proposed scheme being larger than previous proposals, however, he considered the budget for the project to be realistic.

- A Member commented that effective management of similar large scale construction projects in the private sector was attributed to the carrying out of robust meetings with the contractors delivering the projects, she sought assurance that the Council would look to employ a similar approach in the Sands Centre Redevelopment.

Mr Dando assured Members that, as Employer’s Agent he and his colleagues would ensure that the project was managed and delivered in the manner that the Council had set out in its requirements.

- What payment liabilities to Greenwich Leisure Limited would the Council incur were the project to fall behind schedule?

The Contracts and Community Services Manager acknowledged the Member’s concerns and confirmed that the risk of over-run was a significant risk to the project. Furthermore, he considered that risk gave strength to the rationale of identifying a suitable Principal Contractor at the earliest opportunity.

Mr Denson advised that regular programme review meetings would be held during the project to manage and mitigate against any issues which may cause slippage in the timetable. Pick Everard would take all necessary action to ensure that the project was completed within the agreed timetable.

The Chairman invited the Chairman of the Health and Wellbeing Scrutiny Panel to summarise the points and recommendations made by the Members of that Panel during their consideration of the presentation.

The Chairman of the Health and Wellbeing Scrutiny Panel noted that key issues for the Panel were: the use of apprentices in the delivery of the project; the securing of a Letter of Intent from the NHS Suite at the earliest opportunity and: that an OJEU compliant framework be employed in the tendering process for the appointment of Principal Contractor for the project

The Chairman (in her capacity as the Chairman of the Business and Transformation Scrutiny Panel summarised the key issues raised by that Panel was the need for the Council to ensure that the project remained within budget; in order to aid this the Panel felt that the plans for the redevelopment must be finalised prior to the commencement of works, and that Members be provided with regular reports being submitted to the relevant Scrutiny Panel(s) for consideration.

Members held a discussion on the purpose and effectiveness of operating a joint Panel meeting, and considered it important that the resolutions of the individual Panels be appropriately recorded to aid Members ongoing scrutiny of the project.



The Policy and Communications Manager explained that the joint meeting had been convened in order to allow for efficient feedback to the Executive for it to consider the issues raised by Members, as part of its decisions making process. He assured Members that individual resolutions would be appropriately attributed to the individual Panels.

*The meeting adjourned at 12:55pm and reconvened at 1:05pm*

## **SJSP.06/18          STANDING ORDERS**

It was noted that the meeting had been in progress for 3 hours and it was moved, seconded and RESOLVED that Council Procedure Rule 9, in relation to the duration of meetings be suspended in order that the meeting could continue over the time limit of 3 hours.

## **SJSP.07/18          SANDS CENTRE REDEVELOPMENT**

### **FINANCIAL IMPLICATIONS**

*The Deputy Chief Finance Officer* provided an overview of the financial implications of the project, noting that a level of borrowing would be required by the Council and that a number of illustrative examples of how that could be achieved were set out in paragraph 2.8 of the report.

The starting point for the Council's consideration of potential methods of funding the project had been the re-tendered Leisure Contract which, following the completion of the redeveloped site would move the Council to a zero subsidy position in relation to its Principal Leisure Operator. Over the lifetime of the new Leisure Contract the Council would realise budget savings through receipt of payments from Greenwich Leisure Limited.

The Council had an asset portfolio worth £158M and an existing debt of £15M, with an interest rate of 8.5% as a result of a previous stock issue, which equated to a gearing of 9.4%. The calculated level of borrowing to fund the scheme was £17.5M with an anticipated interest rate of 2.5% over a 25 year period; it was anticipated that the additional monies would be raised through external grant funding. Given that the stock issue was due to be re-financed, an option was to combine the borrowing for the scheme and the stock issue, the Deputy Chief Finance Officer noted that such a strategy may achieve a lower level of interest payment for the Council by reducing the level of interest payable on the stock issue. He emphasised that the exact level of interest accorded to the loan was dependent upon the time at which the loan was taken out.

The loan would be secured from the Public Works Loan Board who provided three types of loan repayment options: interest only, annuity, and equal instalment payment, the Deputy Chief Finance Officer noted that the scenarios for loan repayments detailed in the report were based on an equal instalment payment option; he cautioned Members that the examples therein were for illustrative purposes only. The Budget considerations to be submitted to Council for consideration and approval in February 2018 incorporated a borrowing for the project of £17.5M at an interest rate of 3.25% and with a Minimum Revenue Provision (MRP) of 3%.

The Deputy Chief Finance Officer advised that consideration needed to be given as to the best policy for Council to adopt with regard to the regulation of its MRP and whether a separate MRP strategy was needed for the project. The factors for Members to consider in relation to the Council undertaking borrowing to fund the project were set out on pages 23 and 24 of the report.

In discussion the following observations and comments were made:

- A number of Members sought further detail on the Council's plans for the existing James Street Pool site and Turkish Bath suite following the relocation of the swimming pool facilities.

The Deputy Chief Executive explained that the Council had undertaken work with Montagu Evans to identify whether there was any external interest in the site. No proposal for the premises had been worked up but in due course options would be developed and submitted to the Executive for consideration.

A Member responded that the matter of the Turkish Baths and James Street Pool site needed to be included on the Council's Risk Register and, when plans for their use had been worked up, should be submitted to Scrutiny for its consideration.

- Were there any caveats in the Leisure Contract which would allow the Principal Leisure Contractor to reduce their payments to the Council following the completion of the redeveloped site?

The Contracts and Community Services Manager advised that the payments between the Council and Greenwich Leisure Limited were enshrined in the Leisure Contract signed between the two bodies, he noted that caveats were included which would allow for lower receipts to the Council in the event of a smaller facility being constructed.

- Was it necessary for the Council to secure the finance prior to the redevelopment scheme being "locked –in"?

The Deputy Chief Finance Officer advised that locking in for the scheme prior to any approvals being given to proceed would not be prudent, however, once approvals were given the best time to lock-in borrowing would be considered.

Responding to a further question from a Member, the Deputy Chief Finance Officer explained that tranching the borrowing requirements for the project would allow for a degree of flexibility in terms of the Council's profiling of cash flows by borrowing amounts to deliver specific aspects of the project as and when they were required and would also give flexibility for repayment profiles.

Regarding its asset to debt gearing ratio, the Council was, in relation to peer authorities, typically above average with respect to its portfolio of assets and a low level of debt. The Deputy Chief Finance Officer advised that financing the project would not preclude any further capital developments progressing.

Members discussed the financing options and felt that the equal instalment payment route for financing the project was the prudent option for the Council to take, and that the Executive should pursue such a method of financing. A number of Members, whilst agreeing with that approach, considered making such a recommendation was premature, given the current stage of project development, and that to do so would fetter the Executive.

- Had the Council any plans to dispose of any of its assets to help fund the project?

The Deputy Chief Finance Officer responded that the sale of assets was managed through the on-going asset disposal programme and that items would be brought forward as part of the Capital Programme.

- Had funding for the project been secured from Sport England?

The Contracts and Community Services Manager advised that as Council had not yet approved the scheme, the funding was not able to be applied for. He further explained that Sport England

had a ring-fenced pot of money for projects in the Carlisle District of £2.5M, whilst a bid was required to access the funds, the Contracts and Community Services Manager was confident that the Council would receive an allocation.

- What was the anticipated lifespan of the NHS suite?

The Deputy Chief Executive advised that a time frame had not been identified as the hospital had not confirmed whether it intended to occupy the suite. He noted that a decision on the matter was needed soon, as were the Council to approve the project, designers would need to know how the space was to be utilised in order for the project to be taken forward. In the event that the hospital did wish to occupy the suite he undertook to secure Letter of Intent or similar document as surety to aid the Council's determination of the scheme.

In response to a further question from a Member, the Deputy Chief Executive advised that the inclusion of an NHS suite would not affect Greenwich Leisure Limited payments to the Council.

The Chairman requested that details of how the Council planned to use the suite, in the event that the NHS did not take it up be circulated to Members.

In summarising the discussion, the Chairman noted that Members were satisfied with the Council's position in relation to the financing of the project as set out in the report and that details regarding the options for the NHS Suite and the James Street site be circulated to Members in due course.

The Chairman thanked the Officers and Messrs Denson, Dando, Dunstan, Reed, Finlayson, Ker-Reid, and Rice for their presentation and contributions to the meeting.

RESOLVED – 1) That the Health and Wellbeing Scrutiny Panel recommend to the Executive:

- i) That an OJEU complaint Framework method be used in the process for the tendering of the Principal Contractor role;
- ii) That the Council seek to secure a Letter of Intent from the NHS regarding the provision of services from the redeveloped Sands Centre;
- iii) That details of alternative options for the proposed NHS Suite be circulated to the Panel, in the event that the hospital did not wish to proceed with the agreement.

2) That the Business and Transformation Scrutiny Panel recommend to the Executive:

- i) That a Transport Strategy and Travel Plan be secured as soon as possible;
- ii) That the use of apprentices be encouraged in the delivery of the project;
- iii) That plans for the James Street site and Turkish Bath complex be circulated to the Panel for its consideration when they became available;
- iv) That the Panel be provided with regular updates on the progress of the project.

3) That the Contracts and Community Services Manager circulate to Members of both Scrutiny Panel's confirmation of the Council's ownership of the land at the Sands Centre site.

4) That both Panels note report (CS.10/18) and submit the comments as detailed above to the Executive for their consideration.

(The meeting ended at 1.47pm)