

Report to Portfolio Holder for Community Development

Subject: Joint Use agreements in relation to Calverton Leisure Centre.

Date: 29th September 2017

Author: Director for Health and Community Wellbeing

Wards Affected:

Calverton

Purpose

To seek Portfolio Holder approval to terminate the current Joint Use Agreement and enter into new Joint Use Agreements with Nottinghamshire County Council and the Redhill Academy Trust over the provision of Council managed leisure activities at Calverton Leisure Centre.

Background

- 1.1 Currently the Council operates dry and wet side leisure facilities at Calverton Leisure Centre on the Colonel Frank Seeley School site at under a Joint Use Agreement with Nottinghamshire County Council and the Governing Body of Colonel Frank Seely School. This agreement (Appendix 1) was signed by all parties and executed on 21 December 2011.
- 1.2 Colonel Frank Seeley School are now going through the formal legal process to become an Academy, forming part of the Redhill Academy Trust Group, and have sought permission from the Regional Schools Commissioner to do so. This has been approved. The Academy Trust has entered into a 125 year lease with Nottinghamshire County Council in respect of the school premises and dry side leisure facilities. As a consequence there is now the need to terminate the existing Joint Use Agreement with Nottinghamshire County Council and the Governing Body of the school and create two new separate

agreements with the County Council (over the wet side facilities) and the Redhill Academy Trust (over the dry side facilities).

- 1.3 The current funding received from Nottinghamshire County Council for the whole site is £69,832 per annum. This is split equally (50%) between revenue contribution for the general day to day operation of the site and a maintenance contribution to cover the devolved maintenance of the site that is required in accordance with the agreement. The current costs of utilities and maintenance are £91,216 per annum based on actual spend over previous year. GBC pay 100% of the surface water drainage charge direct to the supplier. The cost currently to Gedling Borough Council for the Joint Use agreement is £21,384.
- 1.4 Under the new agreements, the Council will receive funding from the County Council for the wet side facilities and the Redhill Academy Trust for the dry side facilities. Under these arrangements, the funding for the whole site increase to £79,886 per annum. The maintenance contribution/expenditure would increase slightly to £37,942 per annum. The revenue contribution would increase and include additional funding of £8,200 to offset the charges for used water included in the new agreement. These are estimated to be in the region of £7,000 per annum. The cost to Gedling Borough Council for the new Joint Use agreement is £21356.

Proposal

- 2.1 Approval to terminate the current Joint Use Agreement and to enter into the two separate Joint Use Agreements with Nottinghamshire County Council and the Redhill Academy Trust that are now required to enable the provision sport, swimming, along with health and fitness activities from the Councils Leisure centre in Calverton village.

Alternative Options

The only feasible option would be not to enter into the new agreements but that is not acceptable as doing so would jeopardise the Leisure Centre provision in Calverton.

Financial Implications

		Current Agreement	Redhill Academy	Notts. County Council	New JU Total
Income	Revenue Contribution	34916	16980	24964	
	Maintenance Contribution	34916	12979	24963	
		69832	29959	49927	79886
Expenditure	Fuel Oil 40%	16500	16500		
	Electricity 45%	30500	30500		
	Water - metered 75%	9300	9300		
	Water - used 75%	0	7000		
	Maintenance	34916	12979	24963	
		91216	76279	24963	101242
Cost to Gedling Borough Council		21384			21356

As a consequence of the renegotiation of both agreements the only negative financial impact that has arisen related to an increase in the Councils contribution to foul water disposal costs and these have increased by an additional £2,200.

In order to mitigate this cost the Council has agreed with the Redhill Academy Trust to amend its working agreement with them

The Redhill Academy Trust have agreed that the joint use budget can be held in the following percentages and the additional foul water costs incurred by the Council cost will be covered from the dry-side budget:

Revenue Contribution	56.7%
Maintenance Contribution	43.3%

This means that no additional cost will be incurred by the Council.

Appendices: None submitted

Background Papers

None submitted.

Recommendation(s)

THAT

The Portfolio Holder gives approval to terminate the current Joint Use Agreement for Calverton Leisure Centre and to enter into the two new Joint Use Agreements with Nottinghamshire Council and the Redhill Academy Trust.

Reasons for Recommendations

To support the ongoing provision of sport, swimming, along with health and fitness activities from the Councils centre in Calverton village.