



LEISURE FACILITY STRATEGY

SUMMARY

- 1.1 The implementation of the Leisure Facility Strategy approved by Cabinet on 12 January and 8 June 2010 is progressing on schedule, and will be reported to a future Cabinet.
- 1.2 The purpose of this report is to describe a further opportunity that has arisen that could result in the delivery of the leisure facility strategy plus the redevelopment of a number of key sites in the city centre and in other parts of Derby.

RECOMMENDATION

- 2.1 To approve the implementation of the wider regeneration exercise described in this report, including the development of two leisure hub sites and other sites impacted upon by this.
- 2.2 To instruct officers to examine the potential either for seeking submissions from the Homes & Community Agency Delivery Partner Panel developer framework or for preparing an OJEU notice to attract developer interest.

REASON FOR RECOMMENDATION

- 3.1 Officers can see an opportunity to test the development industry, with the potential to deliver our Leisure Strategy plus a number of other developments.

SUPPORTING INFORMATION

- 4.1 Cabinet approved the implementation of the Leisure Facility Strategy on 8 June 2010. Our consultants are now progressing with the evaluation of two sites identified as the potential indoor hub, two sites identified for the potential outdoor hub, and a reserve site for the outdoor hub.
- 4.2 The purpose of this paper is to seek approval to a parallel exercise under which officers would like to examine two delivery options, namely, (1) to seek submissions from the Homes & Community Agency Delivery Partner Panel developer framework or (2) to advertise through OJEU an opportunity for developers to produce proposals for the provision of the two hubs on either of the sites short-listed, but also to deliver the redevelopment and occupation of other sites impacted upon by the delivery of the two hub facilities.

4.3 Officers propose a developer package, which interested developers can consider at a number of different scales. Each one builds on the previous as follows:

- The basic package would be for the developers to present an analysis of the 4/5 hub sites, with proposals for site assembly on the two preferred sites.
- Developers may also present proposals for the hub sites that have been ruled out in the initial exercise.
- If none of the hub sites can be made to work financially, the developers may produce proposals for other hub sites.
- Sites that are freed up by the development of the hubs can then be considered for other appropriate development.

Each of the options above will also require the developer to examine various ongoing management arrangements for the hub facilities.

4.4 Out of the options described above, it may be feasible for a developer to present proposals for an indoor hub on a city centre site, with other development proposals and the introduction of occupier/operators on to those sites as part of the package.

4.5 The reasons for this approach are that the private sector are more experienced, and more flexible in site assembly, can probably move more rapidly than the Council because they are less constrained, and would deliver a wider set of regeneration opportunities. There would also be a reduced development risk to the Council as we would not be involved in the direct development of any of the sites.

4.6 The risks associated with this approach are that the developers could cause the parallel exercise on the implementation of the leisure facility strategy to be delayed. The Council will have less control over the options put forward by developers than the control that we have over the Leisure Facility Strategy exercise looking only at the two hubs. Developers may also come forward with other site development opportunities that have not been identified by the Council, which could be either a benefit or a risk.

4.7 The developers may also require the Council to engage in compulsory purchase orders (CPOs) but we would only do this if we had a “back to back” agreement with the selected developer.

OTHER OPTIONS CONSIDERED

5.1 This is a further option to add to the Leisure facility Strategy that is already being implemented

5.2 Two delivery options are currently available

1. To seek submissions from the Homes & Community Agency Delivery Partner Panel developer framework or
2. To advertise through OJEU for suitable developers

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	
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For more information contact: Background papers: List of appendices:	Name Richard Williams 01332 255974 email richard.williams@derby.gov.uk None Appendix 1 – Implications
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IMPLICATIONS

Financial

- 1.1 There are no financial implications arising directly out of this report.
- 1.2 Risks identified through this approach do include the potential delays and price increases in the parallel exercise on the Council leisure facility strategy.

Legal

- 2.1 The Homes & Community Agency Delivery Partner Panel framework includes standard contract documentation
- 2.2 An OJEU selection process will be required in identifying and selecting the developer
- 2.3 The developer could ask the Council to undertake compulsory purchase orders.

Personnel

- 3.1 There are no personnel implications arising directly from this report.

Equalities Impact

- 4.1 There are no equalities implications arising directly from this report.

Health and Safety

- 5.1 There are no Health and Safety implications arising directly from this report.

Carbon commitment

- 6.1 Developers will be expected to show how their proposals contribute to the reduction in carbon footprint required by the Council from all new Council developments.

Value for money

- 7.1

Corporate objectives and priorities for change

- 8.1 Creating a 21st century city centre.
Leading Derby towards a better environment.
Giving you excellent services and value for money.