

# WEST NORTHAMPTONSHIRE COUNCIL CABINET

19 September 2023

## CABINET MEMBER RESPONSIBLE FOR HOUSING, CULTURE AND LEISURE – COUNCILLOR ADAM BROWN

Report Title	Leisure Centre Procurement Approval
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### List of Appendices

None

#### 1. Purpose of Report

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To procure new leisure contract(s) for the Council's leisure service facilities in Northampton and Daventry areas expiring 31 March 2026.

#### 2. Executive Summary

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- 2.1 The leisure services contracts operated by Sports & Leisure Management Limited (SLM, known as Everyone Active and Trilogly Active Limited (previously Unity Leisure) expire 31 March 2026. The contracts have been in operation since 2012 and 2011 respectively.

- 2.2 Sports & Leisure Management Ltd (SLM) operates and manages Daventry Leisure Centre, Daventry Sports Park and Moulton Leisure Centre. Trilogy Active Ltd operates and manages Mounts Baths, Lings Forum Leisure Centre, and Danes Camp Leisure Centre.
- 2.3 The leisure services contract operated by Parkwood Leisure for the Towcester Centre for Leisure and Brackley Leisure Centre is out of scope for this procurement. The contract runs through to March 2034.
- 2.4 Procuring a new contract(s) allows the Council the best opportunity to deliver value for money, opportunity to improve service delivery and ensures the Council does not breach procurement law. Whilst there are other possible leisure centre delivery options, these have been discounted due to the potential high initial consultant and legal costs, general set up costs and high ongoing costs.
- 2.5 The procurement process needs to commence with suitable time allocated to undertake early market engagement. This would include (if required) suitable project lead in time to include the potential Weston Favell Hub project. The proposed procurement timetable would allow adequate time for Member engagement, preparation of contract documents and time to undertake the procurement process.

### **3. Recommendations**

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- 3.1 It is recommended that Cabinet:
  - 3.1.1 Approves procurement of a new leisure services contract(s) covering Daventry Leisure Centre, Moulton Leisure Centre, Daventry Sports Park, Danes Camp Leisure Centre, Mounts Baths and the Lings Forum Leisure Centre or replacement facility.
  - 3.1.2 Creates a revenue budget of £160k for the purposes of conducting condition surveys as set out in the report. (Refer to 7.5).
  - 3.1.3 Note the Director of Communities and Opportunities to undertake the procurement of specialist consultants for legal and other professional advice associated with the procurement as and when required.
  - 3.1.4 Approves a revenue budget of up to £200k for legal and other professional advice associated with the procurement. (Refer to 7.3).

### **4 Reason for Recommendations**

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- 4.1 To ensure compliance with the Councils contract procedure rules and national procurement legislation in relation to the procurement of public contracts.
- 4.2 To ensure procurement takes place in a timely manner, enabling a seamless continuation of public leisure services post 31 March 2026.

4.3 To ensure the most cost-effective delivery of the Council's leisure services contracts.

4.4 Enables alignment of leisure services contracts to the Councils corporate plan priorities.

## 5 Report Background

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5.1 The leisure facilities managed under the Council's current leisure contracts are as follows:

### **Managed by SLM (operating as Everyone Active):**

- a) **Daventry Leisure Centre.** Originally built in 1996, the centre has had several alterations including a major round of investment when the current contract was let. It contains a swimming pool, teaching pool, sports hall, fitness gym, cultural hall, squash courts, spinning room and fitness room.
- b) **Daventry Sports Park.** The sports park and pavilion were constructed in the mid 1990's, and the changing rooms and a full-size all-weather pitch were refurbished in 2018.
- c) **Moulton Leisure Centre.** This facility was built by Moulton College and acquired and converted to a public leisure centre in 2020. It provides a swimming pool, fitness gym, hydrotherapy pools, sauna, spa, and steam room, spinning area and fitness room.

### **Managed by Trilogy Active:**

- d) **Danes Camp Leisure Centre.** This was built in the 1987, it has a leisure pool, sports hall, spinning room, sauna and steam room, fitness room and fitness gym.
- e) **Mounts Baths.** This was built in 1936 and is a leisure facility of historical importance. The Mounts Baths are grade II listed art deco swimming pool. Alternative uses of the historic facility are very limited. Tendering it with the other leisure facilities should help offset any potential deficit from operating this site alone. Mounts Baths provides a swimming pool, teaching pool, fitness gym and fitness room. It also has a steam room, sauna, and plunge pool.
- f) **Lings Forum Leisure Centre.** This was opened in 1975 and contains a sports hall, swimming pool, fitness gym, squash courts, cinema, and fitness rooms. As mentioned above, it is desired to replace this facility given its age and condition.

## 5.2 Existing contract length and terms

5.2.1 SLM has managed Daventry Leisure Centre and Daventry Sports Park since 2012 and Moulton Leisure Centre since 2020. The contract expires 31 March 2026 and does not have the option to be further extended.

5.2.2 The Council's Agreement with Trilogy Active for the operation of Danes Camp Leisure Centre, Mounts Baths and Lings Forum Leisure Centre started on 1 April 2011 and expires 31 March 2026. The contract expiry date co-terminates with the SLM leisure contract.

- 5.2.3 The existing leisure contracts do not take into account the existence of WNC, or any new current policies and organisational context. Procurement will allow the Council to incorporate, within the new contract(s), West Northamptonshire Council's Corporate Plan, Anti-Poverty Strategy, the forthcoming Sports Facility Strategy / Playing Pitch Strategy, Sustainability strategy, and other relevant strategies and align service delivery to the Integrated Care Northamptonshire's 'Live Your Best Life' outcomes.
- 5.2.4 SLM manages Daventry Leisure Centre, Daventry Sports Park and Moulton Leisure Centre under fully repairing leases, where the operator undertakes the maintenance, repair, and (as required) replacement across the entire facility. Where SLM is found to be deficient, the Council can seek recourse. The arrangement means that SLM is itself responsible for the condition and availability of plant on which it relies for successful operations.
- 5.2.5 Under the Operating Agreement with Trilogy Active, the Council is responsible for the replacement of major items of fixed plant and equipment. Trilogy Active is responsible for the general maintenance.
- 5.2.6 This repair or replacement arrangement makes it very difficult for the Council to budget effectively for major items. The maintenance management arrangements also create a risk for the Council as it could be found liable for operating losses caused by actual or alleged lack of action on its part. For example, as part of its contract obligations, the Council has recently invested £1.8m in plant and equipment at the Trilogy Active centres, with an additional £0.6m also being approved by the Council due to increasing costs of the project.

### **5.3 Condition surveys of leisure centre buildings and plant and machinery**

- 5.3.1 In line with the practice under the SLM contract, it is proposed the new contract(s) would place full maintaining obligations on the operator. This avoids disputes over responsibility for any failures on operator income and success.
- 5.3.2 Especially in this context it will be beneficial for the Council to undertake a comprehensive condition survey of the leisure facilities prior to seeking tenders. The condition surveys would be included in the tender documents. Such surveys should be warranted in favour of the incoming operator. This should reduce the perception of risk and thus, by giving tenderers information they can rely on, improve the financial offers the Council receives.
- 5.3.3 The condition surveys would also aid the Council in developing a clear investment strategy. The information on current condition would allow the Council to be clear about what investment in improving the facilities it will fund or would like bidders to deliver as part of a future contract. Likewise, it would help tenderers make informed decisions about their proposals.
- 5.3.4 The cost of the intrusive full condition surveys is expected to be approximately £160k for all six leisure facilities.

## 5.4 Appointment of specialist consultants

- 5.4.1 The Council will also need to consider what aspects of the entire procurement project are managed by specialist consultants. The cost and scale of the independent specialist scope is to be decided, although some of the procurement work can be undertaken in-house. This process is further complicated by the potential opportunity to combine the Weston Favell Hub project into any tendering specialist brief.
- 5.4.2 Therefore, it is proposed that Cabinet is to note the Director of Communities and Opportunities is to investigate which aspects of the procurement process to undertake in-house and/or by the appointment of specialist consultants.

## 5.5 Procurement Timetable

- 5.5.1 The proposed timetable for procurement is set out in Table 1.

<b>Table 1: Procurement timetable</b>		
<b>Dates</b>	<b>Activity</b>	<b>Additional information</b>
Sep 2023	Approval to Tender	
Sep - Dec 2023	Early Market Engagement with leisure operators	Process completed with Procurement, Transformation
Jan 2024	Early Market Engagement results reviewed	Review and collate Early Market Engagement results in preparation for Members Workshop
Feb 2024	Members workshop to discuss service delivery options	Workshop to include reviewing results from Early Market Engagement  Incorporation of Council Corporate priorities
March 2024	Draft consultancy scope and appoint external consultant if required	Scope to be written after Members' workshop
March - Dec 2024	Preparation of documents to commence Procurement Legal / Contracts / Leases / Specification	Potential consultant appointed  User consultation to be undertaken  Drafting of procurement documents
Apr - Jun 2024	Comprehensive condition surveys of all sites	Condition surveys to be incorporated into tender documents
Feb 2025	Invitation to Tender	A long time period is required due to the complex nature of the contract evaluation and

		any potential negotiations required
Dec 2025	Tender outcome and recommendation report to Cabinet	
April 2026	Contract commences	

## 6 Issues and Choices

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6.1 The Council has, broadly, four options:

- a) Procure the leisure centres currently managed by SLM and Trilogy Active
- b) Procure only the SLM leisure contract and update, review, modernise and then extend the current Trilogy Active contract
- c) Bring the operation of the leisure centres in-house.
- d) Transfer the operation of the leisure centres to a company controlled by the Council (commonly called 'Teckal' companies).

### 6.2 Option (a) Procure the leisure centres currently managed by SLM and Trilogy Active – recommended option

- 6.2.1 Procuring the contract(s) covering the centres currently operated by SLM and Trilogy Active leisure centres simultaneously allows the Council the greatest opportunity to maximise the benefit of procurement.
- 6.2.2 A well-designed competitive procurement will optimise the balance of risks and rewards for prospective operators. It will also strike a balance between giving operators freedom to innovate and develop services and ensuring the Council's goals are met.
- 6.2.3 As part of the procurement process, a fundamental requirement is allowing adequate time for the Council to undertake early market engagement with the wider market of leisure providers. This engagement would need to address the size of potential lots (centre packages), contract duration, utility risk, financial arrangements, levels of service, health and community delivery, and centre maintenance. Both current centre operators would be part of this early market engagement; other known leisure operators will be invited to engage with this opportunity through advertisement and direct contact.
- 6.2.4 The maintenance of the leisure centres needs to be considered. A fully repairing lease gives the operator certainty over the repair budget and responsibility, but the length of the contract needs to be long enough to give financial stability to the operator. Splitting maintenance obligations generates uncertainty and complexity and increases risk for the operator as it does not have the condition of its facilities under its control. It also increases the risk of disputes about whether action taken or not taken by the Council has resulted in a loss of income. Therefore, the starting point proposed, is that the contracts should be based on full maintaining obligations resting on the operator. However, for Lings Forum Leisure Centre it may not be worthwhile to place full maintaining obligations on the operator due to the Weston Favell Hub project.

- 6.2.5 Sport England has developed a template contract and specification documents and schedules that could form the basis of any leisure management contract. These documents are known as the “Leisure Services Delivery Guidance”. It provides a strong foundation for any leisure management contract and helps to reduce tendering costs. The template will be amended to suit the specific needs of West Northamptonshire.
- 6.2.6 As well as addressing up-to-date Council policies and strategies in any new leisure contract, Sport England’s leisure services specification guidance would be generally followed to include performance monitoring, social value within its delivery, sports, and health intervention delivery. New contracts will also include all the new legislation since 2012, updated data protection / freedom of information and health and safety legislation.
- 6.2.7 There is an opportunity for the Council to move to a fully repairing lease for all sites. Currently the SLM contract is a fully repairing lease. The Trilogy Active Operating Agreement is not.
- 6.2.8 All of these above changes combined could constitute a ‘material change’ for the Trilogy Active Operating Agreement and as such be subject to a procurement exercise due to the value and far-ranging scope of the changes. Without tendering, there is very likely to be a breach of the Public Contract Regulations 2015 and thus a potential legal challenge from other leisure centre operators.
- 6.2.9 A new Procurement Bill is currently before Parliament. Once it completes its passage the Procurement Act and regulations made under it will govern public procurement. This Act is still anticipated to have value for money, maximising public benefit, transparency, and integrity as part of its basic principles.
- 6.2.10 The tender project is a complicated process, and some work can be undertaken inhouse, however, as discussed within this report, some elements of procurement management may be delivered through the support of a leisure procurement specialist.

<b>Procure the leisure centres currently managed by SLM and Trilogy Active</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Competitive procurement should maximise the overall ‘offer’ made by each leisure facility operator, to the benefit of West Northamptonshire residents.	Significant officer time needs to be allocated to the project
The procurement option is a well-established option for the Council.	The scope and cost of any leisure procurement specialist needs to be assessed
The arrangements can be based on a detailed and current services specification and performance measurement system	Depending upon the tender process and the situation with the Weston Favell Hub project a specialist consultant may have to be appointed
One off procurement cost and process	Any contract involves a degree of loss of control and inflexibility to the Council’s future plans

Opportunity to improve service delivery in line with the Councils strategies and policies	
Offers the best opportunity for devising value for money options	
Offers potential for capital investment by the operator	
Early market engagement will give the Council a wider view of the leisure market and potential capital investment opportunities	
The management of the services will be delivered by specialist leisure operators	
The operator provides its own support services for IT, HR, Finance, Maintenance Health and Safety	
Weston Favell Hub project can be included or excluded following early market engagement / funding opportunity	

**6.3 Option (b) Procure only the SLM leisure contract and update, review, modernise and then extend the current Trilogy Active contract.**

- 6.3.1 The SLM contract must be retendered for 1 April 2026.
- 6.3.2 The Trilogy Active contract requires considerable updating which would be highly likely to lead to a material change requiring a procurement process.
- 6.3.3 The current contract end date of 1 April 2026 gives a clear deadline for all staff and the centre operator.
- 6.3.4 Incremental contract extensions on the Trilogy Active Operating Agreement to allow the council time to be clear on the future for the Lings Forum Leisure Centre/Weston Favell Hub would prove complex to negotiate. The council and operator would need to consider ongoing costs and service delivery for an aging centre. This could create maintenance / replacement of plant issues and an increasing financial burden to the Council. The leisure operator would be expected to continue delivering a first-class service to the end of the centre's lifespan with little to no long-term incentive. A phased handover of responsibility between both parties could occur as the operator moves away from the Lings site. This would provide the council with additional complications to manage including staffing and financial resources.
- 6.3.5 The proposed Weston Favell Hub includes a new leisure centre as replacement for the Lings Forum Leisure Centre. Inclusion of a new leisure centre to the existing Trilogy Active contract would constitute a material change and require re-procurement.
- 6.3.6 The existing Trilogy Active Agreement terms regarding maintenance and replacement of plant and machinery are complex to administer and the split maintenance liabilities do not support efficient and effective operation.



- 6.3.7 Should the proposed Weston Favell Hub come to fruition and provide a new leisure centre, best practice would be that the Council works closely with the incoming leisure operator during the planning, building and pre-launch phases. Procurement is required to award a new operator to the proposed new leisure centre.
- 6.3.8 This option would be a missed opportunity for the council to combine two contracts into one, improve service delivery, and reduce the total costs of managing all six leisure facilities.

<b>Procure only the SLM leisure contract and update, review, modernise and then extend the current Trilogy Active contract</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Procuring the Daventry and Moulton sites means the Council can seek best value through a competitive process	Significant officer time needs to be allocated to the project
Trilogy Active is the current operator in Northampton. Therefore, there is consistency in service delivery for the Northampton leisure centres	The time period to extend the Operating Agreement is difficult to estimate as the extent / build timings of the Weston Favell Hub project is to be decided. This leads to financial and service uncertainty on delivery for the leisure operator and issues with their sub-contractor contracts / service contracts. There would also be issues / increased costs with regard to plant and machinery replacement
	The Trilogy Active Management Agreement needs to be updated; these changes would count as a material change; therefore, they are likely to breach the Public Contract Regulations 2015, the Council could be open to legal challenge
	Any discussions regarding changes in the Operating Agreement would have to be undertaken at the same time as procuring the SLM contract. This will have a simultaneous impact on staff resources for Legal, Procurement, Finance, Assets & Environment, Sports, Leisure & Culture
	If the Council and Trilogy Active do not agree on new Terms for the leisure contract, the current Operating Agreement automatically terminates, this could lead to a rushed procurement process for the Council, which would be costly in terms of Officer time / potential consultants required to meet tight

	deadlines and be likely to result in sub-optimal outcomes
	Missed opportunity to maximise value through single procurement process

#### 6.4 Option (c) Bring the operation of the leisure centres in-house

- 6.4.1 Particularly following the Covid-19 pandemic, a number of local authorities considered bringing their leisure services in-house. This decision was made after appointing various consultants to advise on VAT, NNDR, pensions, legal issues, TUPE, staffing and IT.
- 6.4.2 Based upon the experiences of other Councils (Southwark, Plymouth City Council, Neath Port Talbot and Kingston) this is likely to be the most expensive option to both initially assess with external consultant costs from different specialisms and then to bring in-house with additional dedicated Council staff having to be employed across the authority for HR, Finance, Assets & Environment, Pensions, Procurement, IT, Health and Safety, and Communications to support the ongoing delivery of the service. An additional 300 – 400 leisure centre staff (although less full-time equivalents) would also be bought onto the WNC payroll.

<b>Bring the operation of the leisure centres in-house</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Council has direct control over the service / delivery	Very significant and substantial officer time needs to be allocated to the project
No operator profit – Council retains all income	Cost of investigating the option including gaining external advice will be required for HR, Tax specialists, NNDR, VAT, pension implications, legal and leisure consultants to assess the feasibility and implications of the proposal
Closer strategic alignment to Council priorities	Cost of setting up the delivery of the in-house option in relation to current Council staffing levels has financial / Officer time implications for HR, Finance, Assets and Environment, Pensions, Procurement, IT, Health and Safety, Communications
Removes risk of contractor failure	Ongoing costs – the Council is not currently set up to manage leisure services directly. Additional staff will be required for HR, Finance, Assets and Environment, Pensions, Procurement, IT, Health and Safety, Communications
Greater ability to adjust operations to address Council objectives at any point in time	Need to review and write operational documentation / HR / health and safety policies etc. and all centre operating policies and procedures across six leisure facilities

All staff would gain access to local government pensions, supporting good provision for retirement	TUPE would apply to 300 – 400 full time, part time and casual staff currently working at the leisure centres. Staff subsequently engaged would be on Council terms and conditions. All staff would gain access to local government pensions, at a cost to WNC
	New service, maintenance and product contracts would have to be set up for the many suppliers the leisure centres would need to use
	The Council would bear all staffing and financial risk
	Missed opportunity to gain external funding
	Benefit of leisure specialist company lost to develop the service

**6.5 Option (d) Transfer the operation of the leisure centres to a company controlled by the Council (commonly called ‘Teckal’ companies).**

6.5.1 The ‘Teckal’ option for leisure services is similar to a combined in-house / trust operation. North Yorkshire County Council in 2022 did propose a ‘Teckal’ company as an interim measure whilst it reviewed its leisure services across 28 leisure centres and seven types of current contracts including: in-house, an already established Teckal company and four outsourced contracts with multiple contract end dates.

<b>Transfer the operation of the leisure centres to a company controlled by the Council (commonly called ‘Teckal’ companies)</b>	
<b>Advantages</b>	<b>Disadvantages</b>
New company will have some independence from the Council, but closer strategic alignment is possible	Officer time needs to be allocated to the project
Depending upon agreement any surpluses/over performance can flow directly to the Council	Cost of setting up – gaining external advice may be required for HR, tax specialists, legal, leisure consultants to assess business rates / VAT / pension implications
Council has direct control over the service / delivery	Cost / split of ongoing service between the Teckal company / Council would need to be established – this would include ongoing service support which would have implications for Finance, Procurement, Legal, IT, health and safety, Assets and Environment
To a significant degree, ability to adjust operations to address Council objectives at any point in time	Council bears ultimate risk of financial underperformance, utility risk and company failure

Council insulated from immediate liability issues	New organisation governance would have to be established as well as a new board with the costs this entails
Some operational flexibility compared to in-house operation	New staff may have to be appointed at senior level to manage facilities
	No leisure specialist company to develop the service
	Teckal company would have to review and write operational documentation / HR / health and safety policies etc and all centre operating policies and procedures across six leisure facilities
	Teckal would have to review and appoint any new service, maintenance, and product contracts the leisure centres would need to use

## 6.6 Issues

### Weston Favell Hub

- 6.6.1 The Lings Forum Leisure Centre is now very dated and in need of major redevelopment. The centre is considered to be in need of replacement
- 6.6.2 The Council has designed a scheme working with NHS partners, for a Weston Favell Hub which includes the replacement of Lings Forum Leisure Centre, a new library, health services, adults, and children's services. Given the intention to replace the Lings Forum Leisure Centre with the new Weston Favell Hub, plant and equipment replacement works at Lings Forum have been kept to a minimum.
- 6.6.3 If the Council is again, unsuccessful in applying for external funding it will have to consider its options - Lings Forum Leisure Centre will be 50 years old and is becoming increasingly costly for the Council and leisure operator to maintain. Other procurement options such as a design, build, operate and maintain could be included in any tender.

## 7. Implications

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### Resources and Financial

- 7.1 The tendering of the leisure centres is a large-scale project, but the process is a known one for the Council. The project involves a variety of services including Legal, Procurement, Assets & Environment, Regeneration & Major Projects, Health, Communications, Sport, Leisure & Culture. The Council would need to allocate adequate officer time and resources to it. Officer time will be mapped as part of the procurement project plan scope. These would be a one-off project cost.
- 7.2 The tendering process is complex although some of the work can be undertaken in-house. Tendering six leisure facilities and with the potential added complication of the Weston Favell Hub project, is likely to require support from a leisure specialist consultant. The extent of the

work, scope remit and therefore total cost of a leisure specialist consultant depends upon the early market engagement. The costs are expected to be, depending upon the scope £150k - £200k to allow for contracts, legal advice, surveys, and management of the procurement process.

- 7.3 The cost of up to £200k for specialist consultants would be covered by the Sport, Leisure & Culture Service. £100k of earmarked leisure reserves and £100k earmarked from income received through the Parkwood Leisure Management fees for 2024-25.
- 7.4 At tendering, there is an opportunity to secure an income for the Council, this income value will depend upon the length of contract, lots, contract terms and the market conditions.

#### **Building Condition surveys**

- 7.5 Funding of £160k would have to be allocated for the six leisure facility condition surveys to be conducted in 2024/25. These costs would be incurred no matter which option is preferred. The report requests Cabinet approves a one-off draw down on the Council's general fund reserves if funding cannot be identified from any other funding stream.
- 7.6 The value for the current Trilogy Active contract is approximately £7m and the value of the SLM contract is £6m. The aim of a single high-quality procurement would be to minimise the cost and maximise the benefit to the Council.
- 7.7 The expected turnover of the new leisure contract(s), for example, a possible 10-year period is approximately £60m.

## **8 Legal**

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- 8.1 The Council may provide such recreational facilities as it thinks fit, pursuant to Section 19 of the Local Government (Miscellaneous Provisions) Act 1976.
- 8.2 The Council will need to consider the affordability, deliverability, sustainability, control, and operational and commercial risk in its future delivery of leisure services also acknowledging its statutory duty to deliver best value. Procurement would also consider social value.
- 8.3 Further detailed legal implications will be reported and addressed as the approach and methodology of the future delivery of leisure services becomes clearer. This will include the Transfer of Undertakings (Protection of Employment) Regulations 2006 and pension provisions.
- 8.4 External professional services (probably including legal) will need to be engaged.

## **9 Risk**

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- 9.1 The existing Trilogy Active Operating Agreement finishes 31 March 2026. There is an option to extend, however, there is no legal obligation for the Council to extend.
- 9.2 If extended, the Operating Agreement terms should be re-written (based upon Leisure Services Delivery Guidance) and agreed between the parties. This new agreement would have to consider the Council's decision for Lings Forum Leisure Centre and the Weston Favell Hub project

timescales and procurement. Combined, all these changes would be a material change. If not tendered, this would open the Council to a legal challenge by other leisure operators as well as potential action by the Council's auditors.

- 9.3 Any new application for external funding for the Weston Favell Hub may not be successful, and as a result, there is a risk to how this project will be funded. To minimise this risk early market engagement with leisure operators could include possible capital funding options. The Council, following early market engagement, needs to set out at the tendering stage, its preferred option to achieve the Weston Favell Hub.

## **10 Consultation and Communications**

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- 10.1 Following the early market engagement with potential suppliers, and any outcome from applying for external grants for the Weston Favell Hub project, it is proposed to undertake a Members workshop. This workshop will allow Members opportunity to discuss / comment on the market engagement results, the outcome of the Weston Favell Hub funding application and then input into the way forward and tender documentation including, for example, options for funding the Weston Favell Hub, lots, contract duration, standards of service, social value, utility risk, maintenance options, etc.
- 10.2 A communications and engagement plan will be developed to ensure the public and stakeholders are kept informed and engaged at all stages of the procurement process and beyond.

## **11 Consideration by Overview and Scrutiny**

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- 11.1 Proposal is to engage with Place Scrutiny as part of a series of Members workshops during February 2024.

## **12 Climate Impact**

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- 12.1 The leisure centres are some of the Council's largest carbon emitters. The Council has secured just over £7m of SALIX funding to support the decarbonisation of heat at the Brackley, Daventry, Towcester, and Moulton leisure centres. This work has been commissioned and should be complete by April 2024. This will result in the centres being heated by air to water source heat pumps, with new or enlarged photovoltaic (solar) arrays to provide more of the electricity needed to operate them. The procurement process would be designed to facilitate further reductions in emissions.

## **13 Community Impact**

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- 13.1 There has been no community consultation in relation to this report at this stage. However, the procurement process will consider community impact as part of the tender specification.

## **14 Background Papers**

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None.