



GREAT YARMOUTH
BOROUGH COUNCIL

**ADDITIONAL PAPERS (2)/
SUPPLEMENTARY AGENDA**

for the

CABINET

19 March 2008

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CABINET

19 March 2008

**ADDITIONAL PAPERS (2)/
SUPPLEMENTARY AGENDA**

ADDITIONAL PAPERS

4. **ARRANGEMENTS FOR LEISURE SERVICE PROVISION AT MARINA CENTRE
AND PHOENIX POOL – APRIL 2008 ONWARDS**

... The Head of Regeneration and Environment's report is attached (pages 68 - 71).

SUPPLEMENTARY AGENDA

- *10. **OMNIPAC SITE SOUTH DENES – POSSIBLE SURRENDER OF LEASE**

The Head of Regeneration and Environment's confidential report will follow.

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Subject: Arrangements for Leisure Service provision at the Marina Centre and Phoenix Pool- April 2008 onwards

Report to: Cabinet 19th March 2008

Report by: Head of Regeneration and Environment

SUBJECT MATTER/RECOMMENDATIONS

- i) To agree to the placing of the Management Contract for the Marina Leisure Centre and Phoenix swimming pool with the Great Yarmouth Sport and Leisure Trust.
- ii) To agree the assignment of a lease for the Marina Centre to the Great Yarmouth Sport and Leisure Trust.
- iii) To note the current position with regard to lease arrangements for the Phoenix pool.

1. INTRODUCTION

Further to previous reports on this matter to Cabinet in August 2007 and January 2008, and following negotiations with the Great Yarmouth Sport and Leisure Trust, a draft contract has been prepared for the management of the Marina Leisure Centre and Phoenix swimming pool by the Great Yarmouth Sport and Leisure Trust, together with a draft lease covering the Marina Centre. These are attached at Appendices 1 & 2 respectively.

These draft documents have been sent to the Great Yarmouth Sport and Leisure Trust for their consideration and comment. The Trust has indicated its preparedness to enter into these agreements as set out. Whilst some issues of detail are subject to further negotiation, the key elements of both the management agreement and lease are set out below.

2. MANAGEMENT AGREEMENT

i) Level of Management Fee

The Management fee will be £484,100 in the first year per annum and inflation adjusted annually over the length of the contract. This is in line with existing budgetary provision for the management of these sites. It should also be noted that any surplus that may be made by the Trust in operating these facilities will be reinvested by the Trust and not removed from the provision as 'profit'.

ii) Division of Repair & Maintenance Responsibilities

This will be based on the existing arrangements for the Marina Centre i.e. the Council will maintain the structure of the properties, together with major repairs or renewals to plant, machinery and electrical installations within the properties where the cost of effecting the repair or renewal exceeds £2000

iii) Length of Contract

A period of 7 years is proposed as the minimum necessary to enable investment to take place in the facilities.

iv) Periods of notice in case of Marina redevelopment

The Council will be entering into this agreement knowing that redevelopment and/or closure of the Marina centre may within the contract period. Therefore allowance has been made in the contract which will not fetter the Councils ambitions in this regard

It is envisaged that a 12 month period of notice would be necessary. Appropriate break clauses are contained within the contract and the lease agreement.

v) Proposed indemnities in case of permanent or temporary closure of a facility

It is proposed that the Council will indemnify the Trust against redundancy costs incurred under TUPE transfer of Phoenix pool staff if the Council is responsible for the closure of the Pool.

In the event of closure of the Marina Centre, the Council would indemnify the Trust against residual redundancy costs incurred after all reasonable endeavours by the Council to find alternative site(s) and the Trust to redeploy staff have been exhausted. Whilst it should be noted that this could potentially generate

additional expenditure that the Council would need to find, it is felt that the 12 month notice period referred to in (iv) above would be sufficient to significantly mitigate that liability

vi) TUPE arrangements

Phoenix pool staff transferring to the Trust from Waveney will receive employment protection within the terms of TUPE legislation.

vii) Minimum Service Standards

These will be subject to final detailed negotiation and will be contained in the proposed annual Service Level Agreement attached at appendix 3. Existing standards will constitute the minimum baseline against which future performance will be measured.

Key areas which will be covered will include minimum opening hours, environmental and cleanliness standards and customer satisfaction.

viii) Key Performance Indicators

As well as operational indicators, performance will be measured against key criteria within the Borough Councils Leisure Strategy 2006-2016 'Getting Yarmouth Fit and Active'. These will also be subject to final detailed negotiations and will be contained in an annual Service Level Agreement.

3. LEASE AGREEMENTS

The finalising of a new lease agreement for the Marina Centre is necessary to enable the benefits of NNDR relief to continue. The lease will run parallel to the management contract and includes break clauses which allow the Council to redevelop the Marina site should the opportunity arise.

With regard to the Phoenix Pool, Norfolk County Council has been approached as owners of the site with a view to negotiation on a direct lease agreement between the County and the Trust in order to realise NNDR relief. This is unlikely to be completed by the beginning of April and the existing dual use agreement

between the borough council and County Council will continue in the intervening period.

4. RECOMMENDATIONS

Members are requested to:

- i) Agree to the signing of a Management Contract with Great Yarmouth Sport and Leisure Trust as preferred operator for the Marina Leisure Centre and Phoenix Pool as set out in Appendix 1.
- ii) Agree to the entering of a Lease Agreement with the Great Yarmouth Sport and Leisure Trust in respect of Marina Leisure Centre as set out in Appendix 2
- iii) Note the current situation with regard to the development of Lease arrangements for the Phoenix pool.

Does this report raise any legal, financial, sustainability, equality, crime and disorder or human rights issues and, if so, have they been considered?	Issues	
	Legal	Yes
	Financial	Yes
	Sustainability	Yes
	Equality	Yes
	Crime and Disorder	No
	Human Rights	No