



Cabinet 27th June 2023

Council 19th July 2023

Report of: Corporate Director of Transformation, Housing & Resources

Relevant Portfolio Holder: Councillor Carl Coughlan

Contact for further information: Name Rebecca Connick
(E-mail: rebecca.connick@westlancs.gov.uk)

SUBJECT: Use of Community Infrastructure Levy monies on Burscough Wellbeing and Leisure Hub

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To authorise the allocation and expenditure of up to £320,000 of Community Infrastructure Levy monies towards the refurbishment of Burscough Racquets and Fitness Centre.

2.0 RECOMMENDATIONS TO CABINET

2.1 The sum of £320,000 be taken from the Community Infrastructure Levy (CIL) to be used towards the refurbishment of Burscough Racquets and Fitness Centre.

2.2 That the Director of Transformation, Housing and Resources and/or the Head of Finance, Procurement and Commercial Services, in consultation with the Portfolio Holder for Human Resources and Leisure and the Portfolio Holder for Resources and Transformation be granted delegated authority to utilise funding allocated CIL Funding to take all steps (including the appointment and payment to Alliance Leisure) to undertake the works set out in Section 5 below.

3.0 RECOMMENDATIONS TO COUNCIL

3.1 That the decision of Cabinet held on 27th June 2023 be endorsed

4.0 BACKGROUND

- 4.1 Members will be aware that the Council are taking steps to improve facilities at Burscough Racquets and Fitness Centre.
- 4.2 The public consultation exercise in relation to the Invest to Save scheme at Burscough Racquets and Fitness Centre has been completed and Officers have analysed the results. The appointment of Alliance Leisure as development partner specifically for Burscough Wellbeing and Leisure Hub will provide an opportunity for Officers to work with Alliance Leisure to progress this project to a completed RIBA stage 4.
- 4.2 The current funding package for the Invest to Save scheme was approved by Members at Cabinet on the 2nd November 2021 and endorsed at Council on the 15th December 2021 as part of the 2019/2020 financial year Capital approvals and totals £386,000. This amount is broken down as £326,000 from WLBC along with contributions from West Lancashire Community Leisure Trust (WLCLT). The Council received £60,000 from WLCLT in December 2022.
- 4.3 Council will recall that the Trustees of WLCLT decided to dissolve the Trust with effect from 12th December 2022. WLCLT have already paid the Council the sum of £60,000 on the condition that it is held by the Council to be used specifically for future enhancement and development work at Burscough Racquets and Fitness Centre.
- 4.4 At the current stage of development planning for Burscough Racquets and Fitness Centre, Officers would like to investigate the opportunity to be able to carry out a more ambitious investment scheme at the Centre that would allow more improvements to be made. It is the view of Officers that any investment into Burscough needs to ensure that the facility remains viable for at least a period of 10 to 15 years. While the sum of £386,000 would enable some improvements to be made there is some concern from Officers as to whether this amount of funding would provide the level of change necessary to make the facility sustainable for the next 10 years.
- 4.5 Alliance Leisure have provided WLBC with an initial cost of approximately £320,000 to progress the projects to a position that would be a completed RIBA stage 4. This process will allow a detailed information pack to be developed in relation to proposed designs, site conditions and surveys.
- 4.6 It is important that Council authorises the allocation and expenditure of this amount now as otherwise this approval would be delayed until late September 2023 which would further delay the critical timelines to present a comprehensive Leisure Transformation report to Members later this year, which will include Ormskirk, Skelmersdale and Burscough Wellbeing and Leisure Hub.
- 4.7 Section 5.0 of this report details the option of funding fees to cover these costs. It is estimated that professional fees of up to a maximum of £320,000 will be incurred.

5.0 FUNDING OPTIONS FOR THE DEVELOPMENT PHASE OF THE WELLBEING AND LEISURE HUBS

- 5.1 Previous feasibility reports to Members for the development of the Wellbeing and Leisure Hubs have always included a proposed funding mix for the projects that has comprised of Prudential Borrowing, Community Infrastructure Levy (CIL) funding, Sport England funding and Levelling Up funding. Delegation has, however, never been sought from Members to formally allocate and spend CIL funding on the Burscough Wellbeing and Leisure Hub.
- 5.2 The development of the Ormskirk and Skelmersdale Wellbeing and Leisure Hubs is now at a critical stage, and it is important that funding is available to allow the refurbishment of Burscough Racquets and Fitness Centre to become Burscough Wellbeing and Leisure Hub to be progressed.
- 5.3 Advice was sought from Planning Services colleagues through the initial development of the proposal and more recently through the Head of Planning and Regulatory Services as to whether CIL funding can be used to fund the development stages of a project. The original advice is provided below, which remains correct:

CIL must be used to fund infrastructure required to support new development, and the provision of new leisure centres would fall under an infrastructure type eligible for CIL funding, and which is listed in the Council's Infrastructure Funding Statement. Therefore, in principle, CIL monies could be used as match funding against capital monies (for the Wellbeing and Leisure Hubs), subject to sufficient funds being available and subject to political support.

However, whilst CIL can be used to fund feasibility and design works, these must form part of the wider implementation of the proposed infrastructure project. Where initial design works are then followed by the abandonment of a project, any CIL funding spent on the earlier design works would need to be returned to the CIL pot as that wider project would no longer be deliverable. This risk means that it would be prudent for the Council to ensure there were sufficient funds in the Council reserves to cover such an eventuality.

- 5.4 The use of CIL funding would enable the Council to use funding that was already in place to progress the projects. The element of risk in using CIL would be the potential requirement to repay the funding to the CIL pot if the projects do not progress. It should be noted that the use of the RIBA design process will allow the Council to review potential costs for the scheme and to value engineer the project as necessary at each RIBA stage. However, there is the possibility that a significant loss could be incurred in terms of abortive professional fees if the schemes do not proceed.
- 5.5 Given the assessment of the options outlined it is recommended to Cabinet and Council that £320,000 of CIL funding should be formally allocated to this project to fund the development phase. The CIL funding is already in place and costs will be continually assessed and value engineered through the RIBA stages. The ability to continually value engineer will reduce the risk of the projects not progressing and the CIL funding having to be repaid.

6.0 SUMMARY POSITION

6.1 The summary of the position outlined in Section 5.0 is as follows:

- To progress the refurbishment of Burscough Wellbeing and Leisure Hub, the professional design team needs to be engaged now. The appointment of Alliance Leisure using the UK Leisure Framework represents the most efficient and compliant route through which this can be achieved.
- To fund the progression through RIBA stages prior to construction it is recommended that authority be given to use part of what has already been allocated from for the Leisure Transformation to the sum of £320,000 in CIL should be allocated to the projects now.
- It should be noted that the cost of the project will be reviewed at each RIBA stage and the projects value-engineered to ensure it continues to be in the affordability envelope for the project.
- The agreement signed with the UK Leisure Framework and Alliance Leisure will also provide the Council with the option to exit the process at any point if the projects are no longer felt to be viable.

7.0 SUSTAINABILITY IMPLICATIONS

7.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 None. The expenditure proposed at paragraph 5.5 will be met from existing CIL budgets and has been assessed in line with CIL spending requirements.

9.0 RISK ASSESSMENT

9.1 The Leisure Procurement strategy is detailed within the corporate risk register of the Council. As part of the Project Management approach for the schemes a detailed Risk Register is in place.

10.0 HEALTH AND WELLBEING IMPLICATIONS

10.1 The continued development of the Councils Leisure Procurement Strategy will:

- Promote good health and wellbeing and enable people to flourish
- Prevent and tackle the causes of ill health;
- Empower people in vulnerable, deprived and disadvantaged communities to realise their full health potential;
- Develop and support effective and high quality health and wellbeing services;

- Encourage and enable all people to take a role in identifying and addressing barriers to improve health and wellbeing;
 - Increase people's independence throughout their life course and ability to lead full active lives
 - By refurbishing Burscough we will not only increase the opportunities for residents to access health, physical activity, but also a range of life course services in one facility; the buildings will raise the aspirations of local people through education, training employment and skills.
-
-

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report

Appendices

1. Equality Impact Assessment
2. Project Timeline