

# CITY EXECUTIVE BOARD

Wednesday 25 May 2011

**COUNCILLORS PRESENT:** Councillors Price (Leader), Turner (Deputy Leader), Cook, Coulter, Lygo, Tanner and Timbs.

## 1. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Bance and McManners.

## 2. DECLARATIONS OF INTEREST

No declarations of interest were made.

## 3. PUBLIC QUESTIONS

Full written questions together with answers were distributed at the start of the meeting. These are appended to the minutes.

## 4. FUSION ANNUAL SERVICE PLAN 2011/12

The Head of City Leisure submitted a report (previously circulated, now appended) requesting the Board to endorse Fusion Lifestyle's Annual Service Plan for the management of the Council's leisure facilities for 2011/12.

Councillor Tanner said that he particularly welcomed the reduction in Carbon emissions from the City's leisure facilities. He also added that the authority as a whole had achieved the 25% target in terms of overall carbon reduction. This position was welcomed by the Board.

### Resolved to:-

- (1) Endorse the Fusion Lifestyle Annual Service Plan for 2011/12;
- (2) Request that further work is done to address levels of staff dissatisfaction amongst Fusion staff; and
- (3) Instruct officers, for future reports of this type, to ensure that risks are presented in a more detailed and meaningful way.

## 5. BARTON - LAND DEVELOPMENT

The Head of Corporate Assets submitted a report (previously circulated, now appended) advising the Board of the outcome of the detailed tendering exercise undertaken for the procurement of a co-investment partner, as well as seeking approval and confirmation of the preferred bidder with a view to the Council entering into a Joint Venture vehicle, as detailed in the report, with that preferred bidder.

Resolved to:-

- (1) Note the contents of the report, particularly the structure, detail and process of evaluation that had been undertaken;
- (2) Note the outcome and conclusions of the value-for-money comparator work undertaken;
- (3) Approve the selection of Grosvenor Developments Ltd ('Grosvenor') as the preferred private sector co-investment partner;
- (4) Grant delegated authority to the Executive Director, Regeneration and Housing to authorise the Council's entry into a limited liability joint venture partnership ("LLP") with Grosvenor, the principles of the LLP to be consistent with the provisions of the Heads of Terms attached to the report in the Not for Publication appendix;
- (5) Agree that upon establishment of the Joint Venture to authorise the transfer of the Council's freehold interest in the site to the LLP on the terms as set out in the report, and the Not for Publication Appendix, and otherwise on detailed terms and conditions to be approved by the Head of Corporate Assets;
- (6) Confirm the appointment of the Chief Executive, the Executive Director Regeneration and Housing and the Corporate Director Finance and Efficiency as the Council's three representatives on the Board of the Joint Venture;
- (7) Confirm the appointment of an appropriate number of officers of the Council to serve as members of the Executive Project Group of the LLP, to be appointed by the Executive Director Regeneration and Housing;
- (8) Agree the placing of any voluntary notice in regard to the procurement exercise as is considered appropriate to give adequate notice of the Council's selection of its co-investment partner; and
- (9) Agree that St Modwen will be held as the preferred under-bidder, subject to a further report back to the Board before any action is taken in this respect.

**6. WESTGATE REDEVELOPMENT - AGREEMENT TO NON-TERMINATION OF DEVELOPMENT AGREEMENT**

The Head of Corporate Assets submitted a report (previously circulated, now appended) seeking approval to agree not to determine the existing Development Agreement in respect of the Westgate redevelopment before 31 December 2011.

Resolved to:-

- (1) Note the progress of discussions with Crown Estate and Land Securities as detailed in the Report; and

- (2) Authorise officers to reach agreement with the Crown Estate and Land Securities (collectively the Westgate Oxford alliance) that neither the Council nor the Westgate Oxford Alliance will exercise its right to terminate the Development Agreement (without the consent of the other) in regard to the Westgate redevelopment project prior to 31 December 2011, and to delegate to the Head of Corporate Assets the authority to enter into appropriate documentation to record this agreement.

## **7. SITES AND HOUSING DEVELOPMENT PLAN**

The Head of City Development submitted a report (previously circulated, now appended) seeking approval of the Sites and Housing Development Plan Preferred Options document for consultation.

### Resolved to:-

- (1) Approve the Sites and Housing Development Plan Preferred Options document for consultation; and
- (2) Authorise the Head of City Development, in consultation with the relevant Executive Board Member(s), to make any necessary editorial corrections to the document and to agree the final version before publication.

## **8. FUTURE ITEMS**

Nothing was raised under this item.

## **9. MINUTES**

The minutes of the meeting held on 13 April 2011 were approved as a correct record and signed by the Chair.

## **10. MATTERS EXEMPT FROM PUBLICATION**

### Resolved, without going into confidential session, to:-

- (1) Approve as a correct record the not for publication section of the minutes of the meeting held on 13 April 2011; and
- (2) Note the contents of a not for publication annexe to the report at agenda item 5 (minute 5 refers)

**The meeting started at 5.00 pm and ended at 5.54 pm**

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## Agenda Item 3

### Public questions received from Nigel Gibson

1. In the Public Questions Appendix in the Minutes of the last CEB Meeting, the answer to Question (c) 3 asserts that the proposed new pool at Blackbird Leys can be easily accessed by public transport, cycling and walking from many parts of the City. Can you please explain what you mean by “many parts of the City”, as
  - a. public transport is limited to a corridor between the City Centre and Blackbird Leys, along the Cowley Road
  - b. Cycling to a facility on the periphery of the City and outside the ring road means that few people will actually choose this method of transport
  - c. Walking the 2km the council has claimed is needed to encompass areas outside Blackbird Leys is impractical given the time it would take should anyone attempt it?

ANSWER: The proposed new pool is a City wide facility, with buses running frequently to and from the site approximately every 5 or 6 minutes. There are cycle routes to the proposed facility and no evidence to suggest that ‘few people will actually use this method’. As previously stated the transport assessment by Curtins Consulting makes reference to the Chartered Institution for Highways and Transportation (CIHT) document entitled ‘Providing Journeys on Foot’. This suggests that an 800m walk to a local service is ‘Acceptable’. However, this is not an absolute figure and the document goes on to say that the ‘Preferred Maximum’ distance is actually 1200m. A 1200m walk distance does extend outside of the Blackbird Leys Estate boundary towards Littlemore and Cowley. This is backed up by PPG13 highlighting walking journeys under 2 kilometres offering potential to replace car journeys.

2. In the Public Questions Appendix in the Minutes of the last CEB Meeting, part of the answers to Question (c) 6 asserts that the pool extension to Blackbird Leys Leisure Centre has a running cost of £150k per year. This figure has been cited many times as establishing a fixed operating cost for the proposed new pool, when in fact (according to the Chief Executive Officer of Fusion), it was provided as an indicative figure, not a contractual offer, and therefore could not be relied on as Fusion has not been asked to quote formally for this work. And also Fusion could only provide a cost for up to the end of the contract, and the annual cost thereafter cannot be ascertained at present. Can you please explain where your figure of £150k comes from, if it is a firm contracted annual amount, which organisation it is with and if so for how many years?

ANSWER: The annual figure of £150K originates from Fusion and their 'Best and Final Offer tender document' for the life of the contract. We are currently reviewing the costs for potential reductions, with additional items such as the inclusion of soft play and the renewable heat initiative.

In the Public Questions Appendix in the Minutes of the last CEB Meeting, part of the answers to Question (c) 6 asserts that the current running costs at Temple Cowley Pools and Blackbird Leys Swimming Pool are £474k (presumably each year). Can you please confirm that this figure is for the financial year 2010/11, and provide a breakdown of this cost? Can you please tell me how much the Council pays Fusion to run each and all leisure facilities, and how this relates to the £474k cost?

ANSWER: The £474K figure was detailed in the September 2010 report on the council's website and relates to 2009/10. The Council will pay Fusion a contract management fee of approximately £3.1 million (not including RPIx) over the term of the contract. A detailed breakdown is not available as the information is commercially sensitive to Fusion under the Leisure management contract.

3. In the Public Questions Appendix in the Minutes of the last CEB Meeting, the answer to Question (c) 8 explains that although 800m is regarded as an 'acceptable' walking distance, 1200m is also acceptable (and so could include people from Littlemore and Cowley), and replays the Curtins report assertion that walking offers the 'greatest potential' to replace car journeys under 2 km – you then use this figure to justify how users of the proposed new pool at Blackbird Leys could walk from Littlemore and Cowley. Can you please tell me what proportion of the existing users of Leisure Centres anywhere in Oxford walk over 1500m to get to a Leisure Centre, and how many users you expect to walk over this distance to get to the proposed new pool in Blackbird Leys?

ANSWER: Figures on the proportion of the existing users of leisure Centres walking over 1500m in Oxford are not collected. As stated previously Sport England's Active Places Power tool indicates that there are approximately 10,000 individuals within a 10 minute walk of Blackbird Leys Leisure Centre.

4. In the Public Questions Appendix in the Minutes of the last CEB Meeting, the answer to Question (c) 9 explains that you have 'sufficient information at this stage to estimate usage figures of the new centre'. Why are you not prepared to say which areas of Oxford (or beyond) these users will come from, or how many from each area?

ANSWER: As previously stated this will be a City wide facility, with users coming from across the City. Fusion who are Leisure industry experts have supplied the overall usage information based on their market data and estimating tools and more detailed analysis will link to the overall programme at the facility once approved.

5. In the Public Questions Appendix in the Minutes of the last CEB Meeting, as part of the answer to Question (c) 9 you say that "a detailed programme.... would take place nearer the time". Can you please explain what this means?

ANSWER: This is a detailed programme of activities at the site. This is typically shown on leaflets within the Leisure Centres or available on the website.

6. In the Public Questions Appendix in the Minutes of the last CEB Meeting, as part of the answer to Question (c) 9 you say that you will consult with key stakeholders. With which key stakeholders will you consult?

ANSWER: Fusion will consult with clubs, schools, community groups and general users and non-users of their facilities regarding the proposed program.

7. In the Public Questions Appendix in the Minutes of the last CEB Meeting, your answer to Question (c) 10 seems to ignore the point of the question. Page 86 of the Mace report states quite clearly that a moveable floor will cost £295,000 in addition to the 3C option of £8.5m. Simple arithmetic shows that the cost of option 3C and the moveable floor will be at least £8.795m. Since you assert that the moveable floor is now included and is not an option, and you also assert repeatedly that the cost is still only £8.5m, can you please explain where the £295,000 has gone to?

ANSWER: As stated previously the cost of the moveable floor is within the £8.5 million budget. To aid clarity the £8.5 million is a total budget number including build costs, client and build contingency, and fees, which may be where some of the confusion arises.

8. In the Public Questions Appendix in the Minutes of the last CEB Meeting you say in answer to Question (c) 11 that you are working with various bodies to ensure a 'well-co-ordinated leisure offer'. Can you please explain what you mean by the term 'well-co-ordinated'?

ANSWER: That within the City the various leisure providers are working together where possible to provide good community access.

9. In the Public Questions Appendix in the Minutes of the last CEB Meeting you say in answer to Question (c) 12 that the council has 'ongoing' work with Sport England. Can you please say exactly what this 'ongoing' work is?

ANSWER: The Council works closely with Sport England on various projects including the proposed new pool and has supplied a variety of information including proposed usage and design information.



10. In the Public Questions Appendix in the Minutes of the last CEB Meeting you assert in answer to Question (c) 13 that the information on your website concerning the proposed new pool and closure of Temple Cowley Pools and Fitness Centre and the existing Blackbird Leys Swimming Pool is not only not misleading but provides a 'true and fair position' of the facilities. Your statements on the website that these two leisure facilities are "near the end of their operational lives" are clearly at odds with the reports you have commissioned that say that Temple Cowley Leisure Centre is in "fair" condition and "midlife". Are you saying that these reports, the latest information you have published concerning the leisure centres condition, are incorrect?

ANSWER: Several years have passed since the condition survey for Temple Cowley Pools was undertaken in 2004. The purpose of the visual condition surveys for the Leisure centres at the time were to indicate the backlog repair estimates for the proposed leisure management contract and would have not have picked up any of the underlying issues with the site that an intrusive survey is likely to pick up and as such a direct comparison is inappropriate. As stated previously this is the advice of experts in the respective fields of asset management and leisure facilities.

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