

**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**COMMUNITIES and HOUSING ADVISORY BOARD**

**16 February 2021**

**Report of the Director of Street Scene, Leisure & Technical Services**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)**

**1 LEYBOURNE LAKES COUNTRY PARK: FUTURE MANAGEMENT AND FACILITY DEVELOPMENT**

**Summary**

**This report updates and brings forward a revised timescale on both the proposed transfer of the site management of Leybourne Lakes Country Park [LLCP] to the Tonbridge and Malling Leisure Trust [Leisure Trust], and the Capital Plan scheme for the provision of additional lakeside facilities. The proposed transfer is identified in the Council's First Year Addendum to the Corporate Strategy.**

**1.1 Introduction**

1.1.1 As reported to Members of this Board on the 21 July 2020 and subsequently approved by Cabinet, it was proposed that the site management of LLCPP be transferred to the Leisure Trust from the 1 April 2021. Further to this a report was also taken to the meeting of the Finance, Innovation and Property Advisory Board on the 16 September 2020 and subsequently recommended by Cabinet for Council approval, in regard to the proposed facility improvements. In taking forward both projects the following aims are to be achieved:

- to achieve a financial saving to the Borough Council;
- to improve the financial position and sustainability of the Leisure Trust; and
- to improve the quality of onsite facilities and services to the visiting public.

1.1.2 An update report was taken to this Board on the 10 November 2020 where Members approved the following recommendations:

It is **RECOMMENDED** to Cabinet that subject to the Monitoring Officer being satisfied about the legality of the actions in relation to the potential transfer that:

- 1) the potential transfer of the site management continues to be addressed in liaison with the Leisure Trust in accordance with the principles of the existing Management Agreement;
- 2) consultation continues with the relevant on-site staff at LLCP in liaison with HR regarding their potential TUPE transfer to the Leisure Trust;
- 3) a report be presented to the next meeting of this Board on the financial implications /viability of a future transfer;
- 4) the transfer only be progressed if it achieves a saving to the Council and an income stream to the Leisure Trust.

It is **FURTHER RECOMMENDED** to Cabinet that in regard to the potential development of a new Lakeside Facility at LLCP:

- 1) Alliance Leisure Services Ltd be appointed through the UK Leisure Framework to progress the project up to the Cost Confidence stage outlined in its Development Proposal;
- 2) the project only be progressed to the Cost Certainty stage by Alliance Leisure Services Ltd if there is confidence that the project can be funded from within the available budget; and
- 3) approval be granted for a Planning Application to be submitted for the proposed facility development.

## 1.2 Site Management

- 1.2.1 In progressing the actions above, the Heads of Terms for the proposed lease were considered by the Finance, Innovation and Property Advisory Board on the 6 January 2021. In considering the potential lease Members expressed concern about agreeing decisions relating to the transfer on a piecemeal basis, and that the transfer should be considered in light of a full and comprehensive report that presented Members with all elements. This would include the lease, the detailed proposal from Leisure Trust and an evaluation of the financial benefits to both the Council and the Leisure Trust. Taking this into account Cabinet on 26 January 2021 agreed the lease in principle but deferred any final decision until a detailed and complete report be considered by this Board, bringing forward recommendations to Cabinet. Members will note from the proposed timescale below that this will be considered at the next meeting of this Board.
- 1.2.2 Taking the above into consideration a review has been undertaken of the current timeframe and a revised timeframe is shown below for Member comment and approval. The time frame proposes a revised potential transfer date of 1 July 2021. The Leisure Trust have been consulted and whilst being disappointed by the delay support the revised timescale.

- 8 March – Leisure Trust take financial proposal/Business Plan to its Board for approval and then present to the Council.
- 25 May – Report to CHAB presenting Leisure Trust Proposal and outcome of Cost Certainty in relation to the proposed lakeside facility.
- 02 June – Report to Cabinet to consider recommendations from CHAB.
- 7 June – Update report to Tonbridge and Malling Leisure Trust Board (if required).
- 1 July – Transfer to the Leisure Trust.

1.2.3 The revised timeframe will address the concerns raised by Members at the Finance, Innovation and Property Advisory Board and provide the following benefits:

- The Leisure Trust will have all the information it requires from the Council and others to present its proposal.
- Adequate time is allowed for Officers to fully consider the financial benefits of the Leisure Trust’s proposal before presenting it to Council Members.
- Provides the opportunity to present the Trust proposal alongside the outcome of Stage 2 (Cost Certainty) for the building project.

### **1.3 Facility Development**

1.3.1 As reported to the Finance, Innovation and Property Advisory Board on the 16 September 2020, the Council has had a long-held aspiration to provide a purpose-built lakeside facility at the site to primarily provide year-round catering and a centre for water sports. The project is within the Council’s Capital Plan.

1.3.2 Members will be aware that the Council has a finite budget of £741,000 for the project that is being funded in full by external funding secured through Section 106 contributions. It will, therefore, be essential that the Council has confidence in the budget before committing further expenditure. It will then be essential that the contract is only let with cost certainty to reduce the risk of overspend.

1.3.3 Following approval at this Board on the 10 November 2020, Alliance Leisure Services Ltd (ALS) were appointed to develop the project to Stage 1 (Cost Confidence) in accordance with its Development Proposal previously presented to Members. This initial stage will provide the Council reassurance on delivery of the project within the identified budget and incorporates a number of site surveys and the costing of an outline design.

1.3.4 ALS are due to present the outcome of Stage 1 (Cost Confidence) to the Council in mid February 2021. Stage 1 will see the costing of an outline design and a

copy is attached at **Annex 1**. At this stage this is an outline design and further detail will be developed during Stage 2 (Cost Certainty). The design has been developed in liaison with both the Council and the Trust.

- 1.3.5 In accordance with the recommendation of this Board, highlighted above, the project will only be progressed to Stage 2 (Cost Certainty) if there is confidence that the project can be funded from within the available budget. Should this confidence be provided at Stage 1, it is proposed that ALS commence Stage 2 on the 1 March 2021. The outcome of Stage 2 will then be presented to Members of this Board on the 25 May 2021 alongside the Trust's financial proposal for site management and an assessment of the financial implications to the Council.

## **1.4 Legal Implications**

- 1.4.1 The proposals outlined in this report are the subject of ongoing legal advice with the Council's legal service and external legal advisors to ensure that the Council is acting lawfully. Further external advice is currently being sought and any recommendations within this report are to be subject to the Monitoring Officer confirming that the action to be taken is lawful once the advice has been finalised.
- 1.4.2 The two existing on site staff working at LLCP will transfer to the Leisure Trust and their employment rights will be protected under the Transfer of Undertakings [Protection of Employment] regulations [TUPE]. The staff have been advised of the potential transfer and consultation will continue as the transfer progresses in liaison with the Council's HR department.

## **1.5 Financial and Value for Money Considerations**

- 1.5.1 In bringing forward these proposals to Members, the initial assessment undertaken in liaison with Financial Services suggested that the transfer of responsibility for management of LLCP including the proposed purpose-built lakeside facility could deliver a financial benefit to both parties. This would be by way of a cost saving to the Council and a net income stream to the Trust.
- 1.5.2 An early high level estimate of the immediate cost saving was put at £10,000 and a net income stream post construction of the lakeside facility of £30,000. It is important to note that these figures are high level and detailed work has not been undertaken with the Leisure Trust at this point. As set out in this report a detailed financial assessment is to be presented to Members at this Board on the 25 May 2021.

## **1.6 Risk Assessment**

- 1.6.1 With regard to the site management the transfer will only progress if the aims highlighted at 1.1.1 of this report are met including the financial benefits to both the Council and the Leisure Trust.

1.6.2 The facility development is being taken forward based on a phased approach including both Cost Confidence and Cost Certainty as highlighted within the report. The Council has a finite budget for the new building.

1.6.3 There is clearly a risk that if the projects do not proceed the opportunity to maximise income from the Park will not be achieved, quality of service on site will not improve and savings will not be generated. Taking into account the Council's overall financial position and the discretionary nature of the facilities there is clearly a need to deliver the site as cost effectively as possible.

## 1.7 Equality Impact Assessment

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## 1.8 Policy Considerations

1.8.1 Asset Management, Biodiversity & Sustainability, Community and Procurement.

## 1.9 Recommendations

1.9.1 It is **RECOMMENDED** to Cabinet that subject to the Monitoring Officer being satisfied about the lawfulness of the actions in relation to the potential transfer that both the potential management transfer and facility development progress as outlined within this report.

The Director of Street Scene, Leisure & Technical Services confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

Nil

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