



Oversight and Governance

Chief Executive's Department

Plymouth City Council

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Delegated Decisions

Delegated Executive/Officer Decisions

Delegated Executive and Officer decisions are published every Wednesday and are available at the following link - <https://tinyurl.com/ms6umor>

Cabinet decisions subject to call-in are published at the following link - <http://tinyurl.com/yddrql6>

Notice of call-in for non-urgent decisions must be given to the Democratic Support Unit by 4.30pm on Wednesday 16 December 2020. Please note – urgent decisions and non-key Council Officer decisions cannot be called in. Copies of the decisions together with background reports are available for viewing as follows:

- on the Council's Intranet Site at <https://modgov/mgDelegatedDecisions.aspx>
- on the Council's website at <https://tinyurl.com/jhnax4e>

The decisions detailed below may be implemented on Thursday 17 December 2020 if they are not called-in.

Delegated Decisions

I. The Leader - Councillor Evans OBE

I.a PLC Life Cycle Maintenance and Improvement

(Pages 1 - 8)

EXECUTIVE DECISION

made by a Cabinet Member




REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – L26 20/21

Decision				
1	Title of decision: PLC life cycle maintenance and improvement			
2	Decision maker (Cabinet member name and portfolio title): Councillor Tudor Evans OBE, Leader of the Council			
3	Report author and contact details: Giles Perritt, Assistant Chief Executive			
4	Decision to be taken: To approve recommendations as set out in the attached briefing report and as shown below: <ul style="list-style-type: none"> • Allocate £1,500,000 for the project within the Capital Programme funded from the Life Cycle Maintenance Fund Reserve; • Delegates the access to the fund to the Strategic Director for People, in conjunction with the Cabinet Member for Sport and Leisure in line with Council Standing Orders; • Approves the allocation to the capital programme of £2,475,505 financed by Corporate Borrowing to fund the enhancements outlined in the attached briefing report. 			
5	Reasons for decision: To provide sufficient resources within the Council's capital programme to fund the costs as detailed in the attached briefing report with the cost of borrowing accounted for in the MTFP.			
6	Alternative options considered and rejected: Do nothing. Rejected for the reasons set out in the attached briefing report. Fund through Service borrowing or revenue budget. Rejected for the reasons set out in the attached briefing report.			
7	Financial implications: The financial implications for this approval are as set out within the attached briefing report.			
8	Is the decision a Key Decision?	Yes	No	Per the Constitution, a key decision is one which:

	(please contact Democratic Support for further advice)		X	in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total
			X	in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million
			X	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.
	If yes, date of publication of the notice in the Forward Plan of Key Decisions	N/A		
9	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:	The maintenance and enhancement of this key city asset delivers against both the Council's 'Growing City' and 'Caring Council' objectives.		
10	Please specify any direct environmental implications of the decision (carbon impact)	Investment in low energy LED lighting throughout the PLC will reduce energy consumption and carbon emissions, supporting the Council's Climate Change Emergency objectives.		
Urgent decisions				
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes		(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)
		No	X	(If no, go to section 13a)
12a	Reason for urgency:			
12b	Scrutiny Chair Signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes	X	Leisure Management Contract
		No		(If no go to section 14)
13b	Which other Cabinet member's	Councillor Peter Smith (Deputy Leader)		

	portfolio is affected by the decision?								
13c	Date Cabinet member consulted		30.11.2020						
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer					
		No	X						
15	Which Corporate Management Team member has been consulted?	Name		Craig McArdle					
		Job title		Strategic Director for People					
		Date consulted		07.12.2020					
Sign-off									
16	Sign off codes from the relevant departments consulted:		Democratic Support (mandatory)			DS71 20/21			
			Finance (mandatory)			djn.20.21.184			
			Legal (mandatory)			MS/1235/08.12.20			
			Human Resources (if applicable)						
			Corporate property (if applicable)						
			Procurement (if applicable)						
Appendices									
17	Ref.	Title of appendix							
	A	Briefing report for publication							
Confidential/exempt information									
18a	Do you need to include any confidential/exempt information?		Yes		If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below. (Keep as much information as possible in the briefing report that will be in the public domain)				
			No	X					
			Exemption Paragraph Number						
			1	2	3	4	5	6	7

18b	Confidential/exempt briefing report title:							
Background Papers								
19	<p>Please list all unpublished, background papers relevant to the decision in the table below.</p> <p>Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</p>							
Title of background paper(s)		Exemption Paragraph Number						
		1	2	3	4	5	6	7
Cabinet Member Signature								
20	<p>I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.</p>							
Signature			Date of decision	9 December 2020				
Print Name	Councillor Tudor Evans OBE (Leader)							

CAPITAL INVESTMENT BUSINESS CASE

Plymouth Life Centre – Life Cycle Maintenance and Improvement



PURPOSE OF BUSINESS CASE

To request that £1,500,000 be added to the capital programme funded by the Plymouth Life Cycle (PLC) Maintenance Fund Reserve.

To approve the allocation of £2,475,505 to the capital programme, financed by Corporate Borrowing, to fund the enhancements outlined in this report.

BRIEF DESCRIPTION OF PROJECT

Plymouth Life Centre was designed and constructed by Balfour Beatty Construction Limited (BBCL) and opened in March 2012. Since its opening it has been managed by Sports & Leisure Management Ltd (SLM).

The leisure management contract was awarded for 10 years with an expiry date of March 2022. Responsibilities for the maintenance of the PLC, is a part repairing lease, with clearly defined areas of responsibility for SLM and PCC. PCC has responsibility for the replacement of end of life assets (life cycle).

BBCL are on site carrying out remedial works, with the programme currently on target for completion end of March 2021.

In addition to the remedial works being undertaken by BBCL, the Council has identified a number of enhancements that it would like to make to the building. In consultation with SLM, Arcadis, PLC stakeholder groups and Council Leisure Services Management, a schedule of enhancement works has been developed. BBCL have been asked to provide costs for the completion of these works and this paper sets out the main items of expenditure and the associated request for capital funds to undertake them.

The table below provides a summary of the enhancements:

Works Description	Business Driver						Budget
	Covid Compliance	Health & Safety	Income Generation	Invest to Save	Carbon Neutral	Enhanced Customer Experience	
Upgrade to ventilation and air conditioning systems for the whole building (ionisation filter system)	X	X					£535,805
One storey extension to the entrance atrium to provide more space for	X	X	X			X	£350,000*

circulation, catering and / or retail							
Upgraded lighting to LED in pool hall, change village and male and female gym change		X		X	X	X	£510,000
Replacement of all cubicles, lockers and decoration in male and female gym change	X		X			X	£117,232
Decoration and upgrades to fixtures, furnishings and equipment e.g. Additional pool hoists for disabled access		X	X			X	£221,548
Creation of new yoga studio beside 1 st floor gym area			X			X	£20,000
Contingency at 10%							£175,459
Total Betterment Budget							£1,930,044
Professional fees and costs attributable to completion of works, forecasted to the end of the project							£545,461
Total Capital Requested							£2,475,505

* Provisional sum as we are awaiting final design proposal and costs from WS Atkins and BBCL. It may not be feasible to complete these works within the programme schedule.

In terms of original funding to construct the PLC, PCC provided the majority of capital, alongside contributions from a number of partner agencies. One of those agencies was Sport England, which contributed £1.9m towards building costs.

The capital funding provided by Sport England had conditions attached to it. One of those conditions required PCC to create a Life Cycle Maintenance Fund (LCMF) for the PLC. As a result PCC set-aside £150k per annum to fund LCMF. There is now a total of £1.5m in the LCMF and it remains intact with no expenditure over the 9 years of the leisure management contract.

Sport England has retained £199k of grant funding whilst awaiting practical completion of the PLC. As a result of the ongoing issues with required work and negotiations with BBCL, practical completion has never been finalised and the remaining grant funding has not been drawn down. BBCL have agreed a specification to undertake full remedial works to the PLC and are currently on site. Following completion of the necessary remedial works, a completion certificate will be issued and this will enable the remaining grant funding to be accessed.

LCMF funds are held as distinct reserves and are ring-fenced, meaning they can only be used to fund appropriate life cycle costs at the PLC. Consequently, a separate cost code will be created to record any expenditure against the LCMF, as these are different from the enhancement works being undertaken by BBCL. This will provide a clear audit trail for the allocation and expenditure of the LCMF funding.

PCC has the opportunity to undertake a number of key life-cycle and enhancement works whilst the main contractor is on site and the facility is closed. Therefore, this paper is requesting that the LCMF be accessed to undertake appropriate end of life (life cycle works) during this period, in addition to further enhancement works funded by an additional capital programme allocation. The funds will be drawn down in accordance with the Council's standing orders, and will be informed by a condition survey and Pre-Planned Life Cycle Schedule.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Do nothing. Rejected as this is a key public building in which PCC has a significant investment. Remedial works are underway and this provides an appropriate opportunity to make enhancements to the PLC. A number of legitimate life-cycle requirements and enhancements have also been identified that could be funded through the LCMF budget.

Fund any necessary life-cycle requirements through revenue.

Rejected as this is unnecessary given that £1,500,000 of funding is ring-fenced in distinct reserves for this specific purpose. Revenue budgets are already under significant pressure.

KEY RISKS:

Funding for the life cycle maintenance is already held as ring fenced reserves. No new revenue or capital funding is requested with respect to life cycle maintenance works. Enhancement work carried out during the necessary closure of the PLC minimises the risk of further closure and resulting impact on revenue, and customers and stakeholders.

MILESTONES AND DATES:

Immediate drawdown.

FINANCIAL IMPLICATIONS

The Life Cycle Maintenance Reserve was created as a condition of funding provided by Sport England. The reserves are distinct and to be used only for the purposes of life cycle maintenance works at the site.

RECOMMENDATION

It is recommended that the Leader of the Council:

- Note the content of this business case update
- Allocates £1,500,000 for the project within the Capital Programme funded from the Life Cycle Maintenance Fund Reserve

- Delegates the access to the fund to the Strategic Director for People, in conjunction with the Cabinet Member for Sport and Leisure in line with Council Standing Orders
- Approves the allocation to the capital programme of £2,475,505 financed by Corporate Borrowing to fund the enhancements outlined in this report