

FAREHAM

BOROUGH COUNCIL

AGENDA

LEISURE AND COMMUNITY SCRUTINY PANEL

Date: Wednesday, 31 May 2023

Time: 6.00 pm

Venue: Collingwood Room - Civic Offices

Members:

Councillor Mrs C L A Hockley (Chairman)

Councillor Mrs L E Clubley (Vice-Chairman)

Councillors Mrs S M Bayford

R Bird

M J Ford, JP

Miss T G Harper

Mrs K K Trott

Deputies: Ms C Bainbridge

Mrs P M Bryant



1. Apologies for Absence

2. Minutes (Pages 5 - 8)

To confirm as a correct record the Minutes of the Leisure and Community Scrutiny Panel meeting held on the 10 May 2023.

3. Chairman's Announcements

4. Declarations of Interest and Disclosures of Advice or Directions

To receive and declarations of interest from Members in accordance with the Standing Orders and the Council's Code of Conduct and disclosures of advice or directions received from Group Leaders or Political Groups, in accordance with the Council's Constitution.

5. Deputations

To receive any deputations of which notice has been lodged.

6. Exclusion of Public and Press

To consider whether it is in the public interest to exclude the public and representatives of the press for this item on the grounds that, the matter to be dealt with under item 7 of the agenda involves the likely disclosure of exempt information as defined in Paragraph 3 Part 1 of Schedule 12A of the Local Government Act.

7. Award of Contract Fareham Live (Pages 9 - 24)

To receive a report from the Director of Leisure and Community which seeks approval to award a contract to operate Fareham Live on behalf of the Council.

8. Executive Business (Pages 25 - 26)

To consider any items of business dealt with by the Executive since the last meeting of the Panel, that falls under the remit of Leisure and Community Portfolio. This will include any decisions taken by individual Members during the same time period.

(1) Cams Alders Vision - Conclusion (Pages 27 - 28)

(2) Hampshire Cultural Trust (Pages 29 - 30)

9. Leisure and Community Scrutiny Panel Priorities

To provide an opportunity for Members to consider the Scrutiny Panel priorities for Leisure and Community.



A WANNELL
Chief Executive Officer

Civic Offices
www.fareham.gov.uk
22 May 2023

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FAREHAM

BOROUGH COUNCIL

Minutes of the Leisure and Community Scrutiny Panel (to be confirmed at the next meeting)

Date: Wednesday, 10 May 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs L E Clubley (Chairman)

Councillors: Mrs S M Bayford, R Bird, M J Ford, JP, Miss T G Harper,
Mrs K K Trott and Mrs P M Bryant (deputising for D G Foot)

Also Present: Councillor Mrs S M Walker



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor D G Foot.

2. MINUTES

RESOLVED that the Minutes of the Leisure and Community Scrutiny Panel meeting held on the 23 March 2023 be signed and confirmed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

No announcements were made by the Chairman.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest received at the meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. CAMS ALDERS VISION - CONCLUSION

The Panel received an Executive report from the Director of Leisure and Community on a proposed conclusion to the Cams Alders Vision which is no longer a viable project.

Members of the Panel expressed their regret and frustration that the Cams Alders Vision had not be realised, despite the best efforts from Officers over the past 9 years but agreed that the funds now needed to be allocated to another project.

RESOLVED that the Leisure and Community Scrutiny Panel: -

- a) note the contents of the report attached at appendix 1; and
- b) pass the comments above to the Executive for consideration at their meeting on the 15 May 2023.

7. EXECUTIVE BUSINESS

(1) Voluntary Community Support Services

Members noted the Executive Decision

8. LEISURE AND COMMUNITY SCRUTINY PANEL PRIORITIES

The Chairman invited Members to consider the Scrutiny Priorities for the Leisure and Community Scrutiny Panel. Members did not have any new priorities to consider at this time.

RESOLVED that the Panel considered the priorities for the Leisure and Community Scrutiny Panel.

(The meeting started at 6.00 pm
and ended at 6.05 pm).

FAREHAM

BOROUGH COUNCIL

Report to Leisure and Community Scrutiny Panel

Date: 31 May 2023
Report of: Director of Leisure and Community
Subject: FAREHAM LIVE – AWARD OF CONTRACT

SUMMARY

This report seeks approval to award a contract to operate Fareham Live on behalf of the Council to the preferred bidder.

The report attached at Appendix 1, is to be considered by the Executive at its meeting on the 05 June 2023. The Panel are asked to note the report and consider and comments or recommendations to pass to the Executive for consideration at their meeting.

The Executive report at Appendix 1, is part exempt by virtue of paragraph 3 Part 1 Schedule 12A of the Local Government Act 1972.

RECOMMENDATION

It is RECOMMENDED that the Leisure and Community Scrutiny Panel: -

- a) note the contents of the Executive report attached at appendix 1; and
- b) consider any comments/recommendations to pass to the Executive for consideration at their meeting on the 05 June 2023.

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 05 June 2023

Portfolio:	Leisure and Community
Subject:	Award of Contract – Fareham Live
Report of:	Director of Leisure and Community
Corporate Priorities:	Leisure Opportunities for Health and Fun Maintain and Extend Prosperity

Purpose:

This report seeks approval to award the contract to operate Fareham Live on behalf of the Council to the preferred bidder.

Executive summary:

The skill required to programme and operate Fareham Live means that management by an experienced operator is required.

Following the withdrawal of BH Live as the Council's preferred operator on the 20 October 2021, the Council have undertaken a new procurement exercise.

This report seeks approval to appoint the preferred operator of Fareham Live. Following a detailed procurement exercise, three final bidders have provided submissions that offer a varied and high-quality programme of events and activities to enable Fareham Live to be a vibrant venue with activity throughout the day and evening.

The evaluation of the submissions and preferred bidder are provided in confidential Appendix A.

Recommendation/Recommended Option:

It is recommended the Executive agrees that:

- (a) the tender submitted by the contractor ranked 1st as set out in confidential Appendix A to the report, being the most advantageous tender received, be accepted and the contract awarded to the company; and
- (b) the contractor ranked 2nd, as set out in confidential Appendix A to the report is appointed as reserve bidder.
- (c) Permission for agreement to make minor amendments to the contract with the preferred bidder be delegated to the Director of Leisure and Community

in consultation with the Executive Member for Leisure and Community.

Reason:

To allow Fareham Live to be operated by a skilled and experienced operator, whilst ensuring the most economically advantageous deal for the Council.

Cost of proposals:

The Council will pay an annual management fee to the operator over the life of the contract (12-years with an option to extend by a further 5-years), which will reduce as Fareham Live reaches maturity. There is the potential for this fee to be reduced through a surplus share arrangement and through different management of lifecycle fund.

The costs presented in confidential Appendix A illustrate that in comparison to an in-house submission and also the previous costs of operating Ferneham Hall there are significant savings.

Appendices:

Appendix A: Tender Evaluation Matrix and Preferred Bidder Report (Confidential) – By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 – Information relating to the financial or business affairs of any particular person and category 7A (information which is subject to an obligation of confidentiality) of Schedule 12A Local Government Act 1972 and the Council's Access to Information Procedure Rules.

It is not in the public interest to publish this information as it would harm the Council's ability to conduct procurement activity in accordance with national procurement legislation and to achieve best value in the consideration of bids received, which are supplied under an obligation of confidence in relation to their financial and technical content. If bidders submissions were disclosed their ability to compete for work would be adversely affected by the disclosure of the detail of their competitive bids and could result in the submission of unaffordable or undeliverable bids / remove the necessary element of market competition that drives best value principles

Background papers: None

Reference papers: Executive report on 16 May 2022 - Regeneration of Fareham town centre, including Fareham Live and Osborn Road Multi-Storey car park

Executive report on 30 September 2021 – Restarting the remodelling of the Fareham Live Project.

Executive report on 3 August 2020 - The naming of
Fareham's new Arts and Entertainment Venue

Executive report on 4 December 2018 – Ferneham Hall
Vision Review

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	05 June 2023
Subject:	Award of Contract – Fareham Live
Briefing by:	Director of Leisure and Community
Portfolio:	Leisure and Community

INTRODUCTION

1. Ferneham Hall closed its doors for the last time on 5 January 2020. The Planning Committee then granted planning permission for the remodelling works a few months later on 13 May 2020.
2. Due to the impact of COVID-19, all major capital projects were then re-evaluated in 2020. A prudent decision was taken by the Executive on 2 November 2020 to pause the project. At that time, it was unclear what the entertainment sector would look like in the future and whether an 800-seater venue would be the right level of provision.
3. It was agreed at the Executive meeting held on the 30 September 2021 to recommence works on the Fareham Live project, with a revised construction budget and amended performance programme.
4. A contract had previously been awarded to BH Live to operate the venue on behalf of the Council, however on the 20 October 2022, BH Live withdrew from the agreement as a result of the COVID-19 pandemic. Following the withdrawal of BH Live to operate Fareham Live, the Executive approved the procurement of a new, experienced operator to manage Fareham Live.
5. A Member Working Group (MWG) and an Officer Working Group were established to oversee the procurement process alongside the development of designs for a remodelled arts and entertainment venue.
6. This report provides an overview of the procurement process undertaken to appoint an operator to manage Fareham Live. It further seeks approval for the appointment of a preferred bidder as set out in Confidential Appendix A Tender Evaluation Matrix and Preferred Bidder Report.
7. Appendix A is required to be confidential, as defined in Paragraph 3 of Part 1 Schedule 12A of the Local Government Act as the details contained within the document has

information relating to the financial or business affairs of any particular person (including the authority holding that information).

BACKGROUND

8. Fareham Live is currently planned to open as a new community arts and entertainment venue in Spring 2024.
9. The skill required to programme and operate Fareham Live, means that management by an experienced operator is required. As well as having the appropriate skills and experience, a charitable trust or equivalent organisation, such as the shortlisted organisations within Appendix A, has more flexibility and freedom to seek external funding and would meet the required criteria to benefit from discretionary Business Rate relief.
10. The Council will retain ownership of the asset and the operator will manage it on the Council's behalf. This model has been successfully demonstrated at Fareham Leisure Centre and Holly Hill Leisure Centre.
11. The Council will pay an annual management payment to the operator, which would reduce as the performance of the operator improves, with potential for a surplus share arrangement to reduce the management fee further.

PROCUREMENT PROCESS

12. Experienced Leisure and Cultural Consultant, RPT Consulting, was appointed to guide the procurement process, having previously worked with the Council on the development of Holly Hill Leisure Centre, and a wide range of publicly and privately-owned arts and leisure venues across the country.
13. Following the withdrawal of BH Live, market engagement was undertaken with potential operators, to assess the likely level of interest in the operation of Fareham Live, which demonstrated there was keen interest.
14. Following market engagement, a tender process was undertaken which sought to identify and seek tenders for the operation based on a 12-year contract (with the potential to extend for a further 5 years).
15. The Council received five initial expressions of interest from the market and, following dialogue, three potential operators provided their initial tenders for the management of Fareham Live.
16. Following evaluation of the initial tenders all three potential operators were asked to submit final tenders, which were received on the 28 April 2023. Final tender evaluations took place during May, with officers looking for the most economically advantageous submission, taking into account the bidders' proposed quality of service and commercial arrangements.
17. Whilst the bids received from the operators are not as financially advantageous as the BH Live positions (both pre and post Covid) they offer a better financial position than the previous Ferneham Hall operating position and the in-house projections which have been undertaken and are detailed in confidential Appendix A.
18. The current financial proposals are based on the market position following Covid and they reflect both the recovery position and also the significant increases in utilities and

other costs due to the impact of the current cost of living crisis. Whilst not getting to a break-even position, they do reflect an improving position as the contract matures.

19. This report seeks approval to appoint a preferred operator for Fareham Live. If approved, the new operator will be appointed, and the contract finalised.
20. Having received a good submission from the second contractor, it is proposed that they be designated as the reserve bidder until the contract with the preferred operator is finalised. This is standard practice and reduces the Council's exposure to risk.

FINANCIAL IMPLICATIONS

21. The tender submitted by the preferred operator is the most economically advantageous received and whilst the Council will pay the operator a management fee throughout the life of the contract, this reduces significantly as the facility matures and performance improves. There is also the potential for the management fee to be reduced further through a surplus share arrangement and amendments to the lifecycle fund management, with the Council taking control of the lifecycle fund allocated within the bidders proposals.
22. The preferred operator (and the reserve bidder) management fee proposals provide the best financial position for the Council, and both offer significant savings on an in-house option and also the previous cost of operating Ferneham Hall.

CLIMATE CHANGE CONSIDERATIONS

23. The preferred operator will be responsible for monitoring energy usage and environmental management across the venue. They will employ best practice approaches to energy and water management, waste and recycling procurement of supplies and sustainable transport in order to help protect the environment.
24. To enable the operator to reduce energy use, the design of the new venue includes the following:
 - The building fabric is fully insulated to minimise heat loss
 - The gas supply to the building has been disconnected to reduce emissions of carbon dioxide
 - The heating will be provided by Air Source Heat Pumps to provide low carbon heating

CONCLUSION

25. An experienced operator is required to run Fareham Live. Following an extensive procurement exercise, three high quality final tenders have been received. It is recommended that the most advantageous tender received, ranked 1st in confidential Appendix A of this report, be accepted and a contract awarded.
26. It is recommended that the tender ranked 2nd in confidential Appendix A is appointed as reserve bidder in the event that the final contract negotiations result in the preferred bidder not entering into a contract with the Council.

Enquiries:

For further information on this report please contact Lindsey Ansell, Director of Leisure and Community. Tel: 01329 824567 or Emma Bowler, Leisure and Community Manager. Tel: 01329 824440

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

FAREHAM

BOROUGH COUNCIL

Report to Leisure and Community Scrutiny Panel

Date: 31 May 2023
Report of: Director of Leisure and Community
Subject: EXECUTIVE BUSINESS

SUMMARY

One of the key functions of this Scrutiny Panel is to hold the Executive Portfolio Holder and Senior Officers to account in the delivery of the service and the Improvement Actions identified in the Council's Corporate Priorities and Corporate Vision.

Members are therefore invited to consider the items of business which fall under the remit of the Leisure and Community portfolio and have been dealt with by the Executive since the last meeting of the Panel. This also includes any decisions taken by individual Executive Members.

The relevant notices for decisions taken are attached for consideration.

RECOMMENDATION

It is recommended that Members consider the items of Business discharged by the Executive since the last meeting of the Panel and make any comments or raise any questions for clarification.

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2441

Record of Decision by Executive

Monday, 15 May 2023

Portfolio	Leisure and Community
Subject:	Cams Alders Vision - Conclusion
Report of:	Director of Leisure and Community
Corporate Priority:	Leisure opportunities for health and fun; Strong, safe, inclusive and healthy communities

Purpose:

To inform the Executive of the outcome of the Vision for Cams Alders Recreation Ground.

Cams Alders Recreation Ground is situated in South Fareham and is one of the largest open space areas for formal outdoor sport in the Council's ownership. The site is approximately 14 hectares with sport pitches and a mix of build facilities.

In 2014 the Executive approved the establishment of a steering group to develop a vision for new and improved community sports facilities and enhancements to the public open space at Cams Alders Recreation Ground.

Following the completion of a feasibility study and consultation with user groups and the Public, the Working Group drafted a proposal to construct new sports facilities to meet the needs of the sports clubs and the local community.

The proposal was based on the pooling of £1.76 million that the Council held in Section 106 developers' contributions for outdoor sports and recreation alongside the sports clubs applying for other funding from external bodies.

Despite many revisions of the proposals and significant time spent over the past 9 years to identify a Vision that would meet the requirements of the sports clubs and the Council, the Council's vision for improving the community sports facilities have not been able to align with the on-site sports clubs, concluding that the Cams Alders Vision is no longer a viable project.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) notes the contents of the report and agrees to conclude the Vision for Cams Alders;
- (b) agrees to divert £1.75million of the Section 106 developers' contributions held for outdoor sports and recreation to help fund the Vision for Henry Cort Fareham North-West; and
- (c) agrees to allocate £100,000 of the Section 106 developers' contributions for outdoor sports and recreation to fund the repairs to the roof and masonry of the Cams Alders Pavillion.

Reason:

To inform the Executive of the outcome of the Vision for Cams Alders Recreation Ground.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 15 May 2023

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2442

Record of Decision by Executive

Monday, 15 May 2023

Portfolio	Leisure and Community
Subject:	Hampshire Cultural Trust
Report of:	Director of Leisure and Community
Corporate Priority:	Leisure opportunities for health and fun

Purpose:

To consider a request by Hampshire Cultural Trust for a variation to the current management agreement held with Fareham Borough Council in respect of Westbury Manor Museum.

In June 2016, the Executive approved a new 10-year management agreement (2017-2027) for the lease of Westbury Manor to Hampshire Cultural Trust for the provision of a museum service.

The agreement included investment of £448,000 by the Council towards the refurbishment of Westbury Manor Museum to improve its condition, amenities and the overall visitor experience. In exchange for the capital investment, the contribution previously made by the Council towards the cost of operating the Museum ended and Hampshire Cultural Trust agreed to operate the Museum without any ongoing financial contribution from the Council.

In response to the impact of Covid and the current economic climate, Hampshire Cultural Trust have undertaken a review of all 24 venues that it manages across Hampshire, with focus on the venues for which no local authority funding is received.

This has resulted in a request for a variation to the management agreement.

Options Considered:

As recommendation.

Decision:

It is recommended that the Executive agrees that there is no variation to the management agreement.

Reason:

To inform the Executive of the request that Hampshire Cultural Trust has made.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 15 May 2023