

## PORTFOLIO HOLDER DECISION RECORD

<b>Portfolio Holder:</b>  Cllr Chris Boden, Leader & Portfolio Holder for Finance, Councillor Steve Count, Portfolio Holder for Fenland Inspire! Leisure Centre Projects	<b>Service:</b> Leisure Services
<b>Lead Officers:</b>  Phil Hughes, Head of Leisure Services/SRO March Future High Street Project,  Carol Pilson, Corporate Director and Monitoring Officer	<b>Delegated Power Being Exercised:</b> Part 3 - Responsibilities for Functions; Table 5, paragraph 10 which permits the portfolio holder and leader of the council to authorise the approval of the Council's acquisition of goods, services and works (whether following a procurement exercise or otherwise), and entry into the associated financial and legal agreements between the value £100,001 and £500,000.
<b>Subject of Decision:</b> To approve entry into a contract valued at £349,694, with Alliance Leisure through the UK Leisure Framework to undertake RIBA Stage 3 work for the development of the Manor Leisure Centre redevelopment project.  <b>Key Decision Reference:</b> KEY/06MAR25/02	

<b>Decision to be Taken:</b> To approve entry into a contract with Alliance Leisure at a value of £349,694 for completion of the RIBA Stage 3 work in relation to the proposed development of Manor Leisure Centre.  <b>Decision:</b> To enter a contract with Alliance Leisure to carry out RIBA Stage 3 pre-construction works for the Manor Leisure Centre project at a value of £349,694.
<b>Reasons for the Decision:</b> On 24 <sup>th</sup> February 2025, Cabinet considered a Report in relation to Fenland District Council's Leisure Centre Facility Strategy and were asked to consider and agree potential refurbishment and improvement projects all also then subject to the approval of the Budget by Full Council later that day.  One of the proposals considered and approved by Cabinet was redevelopment of Manor Leisure Centre in Whittlesey. Specifically, Cabinet agreed to authorise the s.151 Officer to add additional funding into the capital programme for this purpose of enabling the pre-construction RIBA Stage works to be undertaken. The s.151 Officer made provision for this additional funding within the Budget which was subsequently then approved by Full Council.  In accordance with these arrangements, this decision now seeks approval to enter a contract with Alliance Leisure to undertake the pre-contract RIBA assessments. This information will then be used to inform future decisions as to enter into a construction contract for the final project proposal.  Alliance Leisure (AL) have been selected to undertake the RIBA assessments via the UK Leisure Framework. The UK Leisure Framework was established by Denbighshire County Council, acting

as a central purchasing body, in 2022. This is the third successive framework of this type procured by Denbighshire County Council. It is a single provider framework, and Alliance Leisure is the appointed contractor on the Framework.

The key documents for this initial procurement are the Access Agreement and the Pre-construction fee proposal.

#### The Access Agreement stage:

If approved, the Council will enter into the Access Agreement with AL to progress the project through Feasibility initially, and then if required, pre-construction services. There is no access fee for using the Framework at this stage.

The work consists of:

- RIBA Stage 3 is the Spatial coordination element of the 5 RIBA stages prior to handover of a completed building project. This stage includes the following core tasks:
- Engineering Analysis and Cost Exercises to test Architectural Concept resulting in Spatially Coordinated design aligned to updated Cost Plan, Project Strategies and Outline Specification
- Initiate Change Control Procedures
- Prepare stage Design Programme
- Review design against Building Regulations
- Prepare and submit Planning Application

At the completion of the RIBA Stage 3 work, the Council will receive:

- Signed off Stage Report
- Project Strategies
- Updated Outline Specification
- Updated Cost Plan
- Planning Application

AL states that this will give the Council the level of information required to make an informed decision on whether to progress to the final pre-construction gateway.

The Access Agreement states that there would be an invoice on instruction of 50% of all Fees for Stage 2 with the remaining balance spread equally over the period of delivery. However, AL clarified that this was 50% of £42,000 and this will be clarified in the Access Agreement.

Contractor costs are payable via a monthly drawdown through evaluation to identify and evidence progress from which appropriate certificates of payment will be issued for invoicing. This is more relevant for RIBA 3-4 and RIBA 5. In essence, there will be a QS assessment and monthly invoices. Payment is required 20 days from invoice, which is shorter than the 30-day usual period, so processes will have to be put in place to ensure payment is made on time.

The insurance levels and provisions in the Access Agreement are standard.

The Council will want to be able to use the reports etc provided by AL if it decides not to go ahead beyond RIBA Stage 2. The Council has clarified with ALS that the Council will have the rights to use and assign any work products for which it has paid, including that produced by AL's subcontractors.

Cabinet has also agreed to commission at RIBA Stage 4, to complete all necessary pre-construction works.

This is stated to give the Council all the information required to make an informed decision to progress the development into construction.

Once the agreed-upon schemes are ready to deliver, a Development Management Agreement (DMA) is entered into with the Council to deliver the project at the agreed sum. AL would then enter into the building contract directly with the building contractor and arrangements with identified specialist suppliers as required. At this point only would a Framework fee apply.

AL will assume project delivery risk, as identified, and agreed in the project Risk Register. The price would be set, with any cost overruns, other than instructed variations and apportioned risks being managed or borne by AL.

The building contract proposed will be a JCT Design and Build Contract.

Social value:

AL states that it is committed to maximising the benefits of developments to communities, not only to enable more people to be physically active, but to ensure engagement where appropriate with local companies and supply chain to ensure the project contributes back into the local economy. As the project moves from concept to delivery, KPIs will again be agreed with clients to consider what local advantages are optimal with regard to local key objectives and the scope of the project.

While AL's sub-contractors are already on the appointed list, AL has said that it will be very proactive in terms of social value, and their approach is comprehensive and should give us confidence that social value obligations will be handled effectively and give a transparent and effective approach.

**Alternative Options Considered** (if appropriate):

1. Not to proceed with the preconstruction RIBA Assessments. This option would have been contrary to the decision taken by Cabinet on 24 February 2025 and the subsequent approval of the funding by Full Council.
2. To undertake a procurement exercise to appoint a contractor to undertake the RIBA assessments rather than using the UK Leisure Framework.

**Background/Reports/Information considered and attached:**

UK Leisure Framework legal agreements – assessed.

Legal advice received by Fenland Council - considered and not attached as this is legally privileged.

Alliance Leisure, Manor Project proposal - attached.

Cabinet Decisions regarding Manor Leisure project – Cabinet meeting of 24 February 2025.

Risk Log as at 23 April 2025.

**Legal and Procurement Implications:**

As set out above, the UK Leisure Framework was established by Denbighshire County Council. It was acting as a central purchasing body in so doing. The geographical scope of the Framework is the UK. The Council is entitled to call off contracts from the Framework, as one of the public sector bodies identified in the contract notice for the procurement. The Framework runs until 2026 and the maximum aggregate value of call offs is £2 billion (excluding VAT).

The Council has been told that this figure has not yet been reached. The scope of the Framework covers the RIBA work and also the works required for the development of the swimming pool (should the Council decide to engage Alliance Leisure for those works).

The Council has followed the procedure prescribed in the Framework to enable it to award the access agreement to Alliance Leisure.

The Council has taken legal advice on the Access Agreement and comments on specific clauses have been relayed to AL and it has been agreed to clarify the Access Agreement where appropriate. The Access Agreement is in an appropriate form from a legal perspective.

**Financial Implications**

Portfolio Holders should note the General Fund Budget Estimates and Medium-Term Financial Strategy (MTFS) Report, agreed by Cabinet and Council in February, projects a financial shortfall for 2025/26 of £1.432m increasing year on year amounting to around £3.4m by 2027/28.

Although there are currently many uncertainties regarding the budget for 2025/26 and the MTFS, there remains a significant structural deficit which the Council will need to address.

Any additional costs for items not already included in the budget will incur additional revenue costs of circa. £81k p.a. for every additional £1m required based on an assumed 30 year borrowing profile.

**Portfolio Holder Signatures:**

Councillor Steve Count, Portfolio Holder for Fenland Inspire! Leisure Centre Projects

Councillor Chis Boden, Leader of the Council and Portfolio Holder for Finance

**Date:**

9 July 2025

**Please forward to Democratic Services upon completion**

**For Office Use Only**

**Date copy passed to Democratic Services**

**Implementation Date: 16 July 2025  
(if not called-in)  
(Allow 5 clear working days after publication of decision)**

Circulation: Democratic Services, Portfolio Holder, Officer and Accountancy.