

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 26TH FEBRUARY, 2020

REFERENCE FROM CABINET: 16TH DECEMBER, 2019

**“C181 LEISURE MANAGEMENT CONTRACT EXTENSION (LAC)
(SCRUTINY – HEALTHY LIVING AND SOCIAL CARE) –**

The Cabinet Member for Leisure, Arts and Culture presented the report to advise on progress being undertaken to extend the Leisure Management Contract between Parkwood Leisure and the Council for a further five years. The report also sought an in principle Cabinet Approval for a loan to Parkwood Leisure, subject to agreement on the contract extension. Upon agreement of a contract extension, a report would be taken to Council to increase the Capital Programme.

Negotiations for the extension of the Leisure Management Contract were continuing and whilst a previous minute provided authority for officers to progress matters, a new proposal had been received from Parkwood Leisure, via its sub-contractor Legacy Leisure, that was outside the scope of this minute. Legacy Leisure had requested a loan from the Council which would be used for Capital works in Council Leisure Centres. The works proposed included creating a dance studio in Barry Leisure Centre and refurbishment of both Penarth and Llantwit Leisure Centres. These works would be to the benefit of Leisure Centre users and would assist in sustaining the future of the Council’s Leisure Offer.

This was a matter for Council decision.

Cabinet, having considered the report and all the issues and implications contained therein

RESOLVED –

(1) T H A T the current position with regard to the negotiations of the Leisure Centre contract extension, as resolved previously by Cabinet (Minute C434 refers) be noted and it be noted that the delegation in respect of the same now requires consultation with the Cabinet Member for Leisure, Arts and Culture alongside the Managing Director and Leader.

(2) T H A T the principle of a £600,000 loan being made available to Parkwood Leisure Limited, financed by Prudential Borrowing, to permit improvements to the Council’s Leisure Centres be noted.

(3) T H A T Recommendation (2) be subject to the successful conclusion of contract negotiations to extend the current leisure contract for five years until 2027 (Minutes C434 refers).

(4) T H A T Council be requested to increase the Council's Capital Programme by £600,000 subject to the successful conclusion of contract negotiations as referred to in Recommendation (3).

Reasons for decisions

(1) To note the progress on the Leisure Centre Contract extension, as previously resolved by Cabinet (C434 refers) and to reflect changes in portfolio leads since October 2018.

(2) To obtain the agreement of Cabinet in principle to provision of a loan.

(3) To ensure that payment of the loan is conditioned to the extension of the current contract.

(4) To obtain the agreement of Council to the increase in the Council's Capital Programme."