

REPORT OF THE DIRECTOR OF LAW, HR & ASSET MANAGEMENT

LEASOWE RECREATION CENTRE

1. EXECUTIVE SUMMARY

- 1.1 This report updates members on discussions with Arena Housing Group Ltd for the transfer of Leasowe Recreation Centre and seeks instructions on the future arrangements for the centre.

2. BACKGROUND

- 2.1 As a result of the Strategic Asset Review, Cabinet resolved on 15 January 2009:

That negotiations are held with Arena/Leasowe Community Homes for the transfer of the Leasowe Recreation Centre to the benefit of the community, subject to the agreement of satisfactory terms and conditions.

- 2.2 Provision has been made in the budget for 'bridging finance' to cover the annual running costs of the centre during negotiations until 31 March 2011.
- 2.4 At its meeting on 24 June 2010 Cabinet asked that a report be brought to this meeting on the current status of the proposed transfer of Leasowe Recreation Centre to Arena Housing (Arena).

3. PRESENT POSITION

- 3.1 Following the decision to negotiate with Arena discussions were held to explore the basis of a transfer of the centre. Arena were – and remain – interested in investing in the regeneration of the wider estate beyond their housing stock.
- 3.2 The proposal that was discussed was intended to integrate the recreation centre into a wider development, as part of a 'retirement village'. It was seen by Arena as part of their strong commitment to the Leasowe area and the enhancement of the wider estate. Their intention was to continue to offer existing users full access to all the facilities.
- 3.3 Key to the success of their proposal was the achievement of a financial break-even situation in relation to the centre and the undertaking of development upon some of the surrounding land. They would look to Wirral to provide the necessary financial support to the centre and prioritise the development on the surrounding land of an elderly village and family housing for Homes and Communities Agency funding.
- 3.4 The suggested approach was for Arena to be granted an option over the land required for housing development for a period of 24 months. This would allow them to undertake competitive tendering following OJEU processes.

- 3.5 It became clear during discussions that the proposal had to be dealt with in a wider procurement context.
- 3.6 A decision of the European Court of Justice, ECJ in *Auroux v. Commune de Roanne* in January 2007 has significant implications for development and regeneration projects in the UK, such as that proposed at Leasowe. Following that decision the Office of Government Commerce issued guidance notes on the 'Roanne Ruling' and its impact on development agreements in October 2009.
- 3.7 When these were considered it was agreed that a contract could not be entered into directly with Arena without first following a competitive process. Arena remained interested in pursuing their proposal for the recreation centre and the adjoining land and indicated that they would do this through the OJEU process.
- 3.8 As the proposal for a 'facilitating development' on the adjoining land was discussed further, however, it became evident that there would be substantial difficulties in terms of flood risk and the loss of playing pitches that would have to be overcome to secure planning permission. Planning policy does not make provision for development at the site and the Strategic Flood Risk Assessment recommends that vulnerable development should be prevented in this area. If the Environment Agency or Sport England objected to the proposed development a planning application would need to be referred to the Secretary of State before approval could be granted. Considerable further work would be required to support an application, and the initial proposal was not taken further following consideration of the planning and flood risk position.
- 3.9 Arena remain keen to play a wider role in the regeneration of Leasowe. Some further discussions have taken place to consider opportunities for this and the potential to link any further thinking to the Leisure Centre. At this stage however it appears that the original proposal will no longer proceed and alternatives have not been developed.
- 3.10 The Head of Cultural Services is currently discussing with NHS colleagues opportunities to locate health service staff in leisure facilities. Whilst Leasowe Recreation Centre is under consideration for co-location of some staff and services, no final decision has been made.

4. NEXT STEPS

- 4.1 It is now clear that the previous proposal to transfer the centre to Arena supported by an enabling development on the adjoining land is unlikely to be achieved. Current budgetary provision for the operation of the centre has been made to March 2011.
- 4.2 The Council may now wish to consider options for the future operation of the centre but the in the meantime its continued operation as part of the Council's core leisure offer will require permanent reinstatement of budgetary provision in the sum of £636,900 per annum. Savings of this amount that had been identified through the Strategic Asset Review will no longer be achieved from the disposal of the centre. The centre will also require investment to address backlog maintenance estimated at £553,000k and future life cycle maintenance of £568,000.

4.3 There is an ongoing relationship with Arena as one of the Council's strategic partners, and officers will continue to work with Arena on the regeneration of Leasowe. At this stage however no proposals have emerged that would suggest a deal could be done with Arena without the need for a formal procurement exercise.

5. FINANCIAL IMPLICATIONS

5.1 The annual saving from the disposal of Leasowe recreation centre was assessed at £636,900 and 'bridging finance' has been provided until 31 March 2011.

5.2 Through the condition survey process it has been identified that there is a maintenance backlog of £553,000 at the centre, with a further requirement for planned maintenance of £568,000 over the next ten years.

6. STAFFING IMPLICATIONS

6.1 None arising directly from this report.

7. EQUAL OPPORTUNITIES IMPLICATIONS

7.1 The centre is currently accessible to all sections of the community. The effect of any proposed changes would need to be considered. No Equality Impact Assessment has yet been undertaken.

8. COMMUNITY SAFETY IMPLICATIONS

8.1 Access to the leisure centre and activities run from it have a positive impact on community safety.

9. LOCAL AGENDA 21 IMPLICATIONS

9.1 None arising directly from this report.

10. PLANNING IMPLICATIONS

10.1 The land is designated as a 'Recreational Development Site' in the Unitary Development Plan. Any proposal for alternative use would be a departure from the development plan, which would need to be considered in context with National Planning Policy PPG17.

10.2 The site provides public open space and public playing fields. There are 813 residential properties within 400 metres walking distance of the main entrance to the site. The nearest public open space of equivalent size is 700 metres walking distance away from the main entrance to the site, at Leasowe Road. The smaller Whiteheath Park is 390 metres walking distance away to the west.

10.3 PPG17 would require applicants to demonstrate widespread community support for their proposals and to provide better or equivalent replacement facilities in another suitable location.

- 10.4 The site falls within the regeneration priority area for new housing development within the Council's Interim Planning Policy 'New Housing Development' (Adopted October 2005) but the Interim Planning Policy prevents the use of greenfield sites for residential development.
- 10.5 The Strategic Housing Market Assessment shows there is no need for affordable housing in this location.
- 10.6 A proposal for elderly care village would introduce vulnerable residents into an area at risk from flooding.
- 10.7 The site lies within Flood Zone 3a on the Environment Agency's Flood Map, which means the site is considered to be at a high risk of flooding. Any planning application would be subject to UDP Policies WAT1 and WA1. The UDP policies have been supplemented by guidance contained in National Planning Policy Statement PPS25 (published by Communities and Local Government in March 2010). In line with this guidance the Council has prepared a Strategic Flood Risk Assessment.
- 10.8 Any applicant seeking planning permission on this site would be required to prepare their own Flood Risk Assessment (FRA) to show that the development would be safe and would not increase flood risk elsewhere. They would also need to undertake a sequential assessment to show that no other sites with a lower probability of flooding were available for the development proposed.
- 10.9 Consultation would need to be undertaken with the Environment Agency before a future planning application can be considered by the Planning Committee.

11. ANTI-POVERTY IMPLICATIONS

- 11.1 None arising directly from this report.

12. HUMAN RIGHTS IMPLICATIONS

- 12.1 None arising directly from this report.

13. SOCIAL INCLUSION IMPLICATIONS

- 13.1 None arising directly from this report.

14. LOCAL MEMBER SUPPORT IMPLICATIONS

- 14.1 Leasowe recreation centre is in the Leasowe and Moreton East Ward

15. BACKGROUND PAPERS

- 15.1 Cabinet Report - Transforming Wirral - Strategic Asset Review 27 November 2008.
- 15.2 Cabinet Report - Transforming Wirral - Strategic Asset Review 15 January 2009.

16. RECOMMENDATIONS

That:

- 16.1 The position in respect of discussions with Arena Housing Group Ltd. is noted.
- 16.2 Budgetary provision be reinstated for the continued operation of Leasowe Recreation Centre within the Council's core leisure offer.
- 16.3 The Director of Technical Services be instructed to undertake an initial review of arrangements for future provision of swimming and indoor leisure.

Bill Norman

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