

Westlands Leisure Complex

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Purpose of the Report

1. This report seeks to provide the District Executive with a summary of the progress in delivering the Westlands Leisure Complex Project as approved by the District Executive.

Forward Plan

2. This report has been part of the District Executive Forward Plan following the District Executive decision in October 2015 to enter into an agreement with Leonardo Helicopters (LH) to take over the management and operation of the Complex for a 30 year term.

Public Interest

3. The Complex has been a locally important and long standing venue regularly hosting a vast array of sporting activities and different events ranging from functions, conferences, meetings, training events, to weddings, ballroom dances, award ceremonies, festivals and live music events.
4. The Complex was wholly owned by LH, and had been traditionally operated as a proprietors club for the benefit of LH employees, their families and associate community members under a formal constitution. Following the announcement by LH to close the Complex at the end of September 2015, the Council decided to seek to negotiate and secure satisfactory terms with LH and other funding partners to take over its operation.
5. The Council approved an internal loan of £1,865,046 towards the costs of extensively refurbishing the Complex, and reached agreement with LH to lease the site from 27th May 2016.
6. Refurbishment works have progressed in four initial phases, namely 1) Sport and Fitness Centre, 2) Conference and Entertainment Centre, 3) Pavilion and 4) Car Parking and Site Illumination. A Project Board was formed to oversee the project and to take stage decisions.
7. The Project Board has monitored stage and project progress, and resolves emerging project problems areas or opportunities.
8. As part of the project governance arrangements, members requested progress update reports. This report seeks to provide the District Executive with a progress summary.

Recommendation

9. The District Executive are asked to note progress achieved to date.

Progress

10. The Practical Completion stage has been reached for the first three phases covering the Sport and Fitness Centre, Conference and Entertainment Centre, and Pavilion.

11. In terms of timescales actual practical completion dates have slipped in comparison with target dates:

Facility	Forecast Practical Completion Date	Actual Practical Completion Date	Slippage
Sport and Fitness Centre	16/12/2016	30/12/2016	2wks
Conference and Entertainment Centre	03/03/2017	Phase 1: 24/03/2017 Phase 2: 21/04/2017 Phase 3: 5/05/2017	9wks
Pavilion	14/04/2017	23/06/2017	10wks

12. Car parking and illumination works have been delivered in-house outside of the main contract. These works are 90% complete having been partially impacted by slippage in the main contract. They are expected to be complete in July 2017.
13. Construction snagging issues are being currently being progressed by the build contractors EBC Building and Construction. The majority of snags and issues have been completed and it is expected that the snagging phase will be completed during July.
14. As the operation develops a small number of other operational snags are emerging which are not EBC / build contract related. These issues are being progressed internally via Property Services.
15. Financially the final project cost is expected to exceed budget. The Project Team and Project Board have continued to tightly monitor project spend and all risks are being actively managed and are under control. Subject to the outcome of the final account negotiations with EBC, it is expected that any shortfall will be met through a combination of additional banked \$106 sums, revenue previously set aside by the Project Board, usable capital receipts to manage this risk. Cost risks stem from:
- 15.1. Security incidents
 - 15.2. Site power
 - 15.3. Asbestos removal
 - 15.4. Structural improvements
 - 15.5. Design change
 - 15.6. Fire risk mitigation
 - 15.7. Building Regulation
 - 15.8. Fixture, fitting and equipment replacement
 - 15.9. Fitness Centre improvements
 - 15.10. Rental related improvements
16. The Pavilion has only recently reached practical completion we would expect to receive and negotiate the financial account with EBC by the end of Q3 this year.

Operations

Conference and Entertainment Centre

17. Westlands Conference and Entertainment Centre held its first event on Wednesday 29th March with an Encore Screening from the Royal Opera House of 'The Sleeping Beauty'. The phased approach to opening the building required a temporary entrance and limited the space and time available for the team to mobilise operations. This slippage and the failure of BT to deliver the new fibre install to site despite having the 9 month lead time, presented considerable challenges to the operational team. Nonetheless the staff have responded outstandingly both working around the clock and finding numerous ways to working around issues.

18. The response from customers has been overwhelmingly positive from previous users of the complex to new visitors to the site. As with any new venue there have and are 'teething problems' to work through and improvements to the building, service and procedures being made every day.

19. Our first few months of operation have seen a host of events with over 10,000 tickets purchased for events in the first three months and an estimated further 10,000 visitors at non-ticketed events. Further key highlights include:

- Sold out events include comedians Joel Dommett and Henning Wehn and popular events with Brian Conley.
- CBeebies star Justin Fletcher, who brought two sold out performances, required the larger capacity of Westlands and would not have come to the County without the venue.
- The 'themed party nights' have proven popular with live performances a great atmosphere.
- Yeovil Beer Fest proved a hugely popular and successful event
- The Funtasia Charity Ball and Western Gazette Business Awards were functions for 300 guests and a four course meal. Both events went well and as The Western Gazette Awards were the second function and we made a number of improvements that led to a much quicker service and better experience for guests and very positive feedback.
- The Official Opening took place on Tuesday 27th June with Darcey Bussell CBE re-opening the venue in a special afternoon ceremony and an evening 'Audience with' event with BBC Somerset's Claire Carter.
- We have hosted a number of conferences and meetings from large scale events up to 400 to smaller intimate meetings. Justine Parton, Events Manager, has been constantly busy with requests for weddings, parties, wakes, trade fairs and much more. Events are proving successful and we are building up regular clients.
- Full On Sport have taken up tenancy in one of the offices on the first floor.
- A 'Residents Forum' has been setup to meet twice a year for those properties adjoining the site.
- A 'Users Forum' has been setup for groups and clubs who use the site and will meet on a quarterly basis.
- Weekly classes from LeRoc and Westlands Ballroom and Latin Group.
- Our Westlands Social Media accounts are growing quickly with 2,439 likes on Facebook, 405 followers on Twitter and 103 followers on Instagram.

20. We are just beginning to see the potential for Westlands and all the many different events the site can host and bring to the area. As we develop our relationships with hirers, agents, promoters and our reputation for delivering events well the number of events will increase. The forthcoming season sees a host of exciting events including:

- Somerset Gin Festival
- A busy screening schedule with Encore Live Screening including Helen Mirren in 'The Audience' and the best of independent and British film.
- Live music from Heather Small, Joe Brown, Ricky Ross and Dr Hook.
- Themed Party Nights and a busy Christmas Party Period.
- BBC Somerset bringing their 'Christmas Celebration' to South Somerset for the first time with a concert at Westlands broadcast on Christmas Day.

21. The team are currently working on making further improvements including:

- More 'Brown' visitor signs directing people to the site are being installed shortly.
- Daytime Lunge Bar service is now operational for facility users and members of the public with a 'café and bar menu' available through the day, with free parking, good Wi-Fi, outside terrace area and a fine selection of drinks, sandwiches and cakes. We are actively marketing to groups to meet in the space.
- Issues with heating system, alarm faults and a gypsy incursion have all been dealt with by staff in what has certainly been a steep learning curve. But 'the show must go on' and in many cases our customers would not have been aware of the challenges staff have faced.
- Continue to build the staff team including the appointment of two part-time Box Office roles to complete the team. The new team are passionate, dedicated and are settling in well and quickly developing service standards to ensure we consistently provide outstanding service the Octagon has become renowned for.

Sport and Fitness Centre

22. The centre has now been operating for 6 months.

23. Evenings in the main hall are fully booked Mon – Fri from 6pm onwards, the programme is still developing during the day and that is what is being progressed alongside the build the health and fitness membership.

24. It has built a good steady block booking programme for badminton, table tennis and 5 a-side football throughout the week in the evenings, with U3A block booking morning sessions and the occasional martial arts booking throughout the evening.

25. Of the block bookings, Yeovil Badminton Club and Yeovil Table Tennis Club have both developed weekly Junior and Adult coaching sessions alongside their club sessions. There are new In It Together 'girls' badminton coaching sessions and further sessions are planned to extend this national initiative across other sports. Saturday mornings and some Sundays are also booked for match play and training.

26. U3A book courts for badminton and table tennis and work is being undertaken with them to help grow their programme and from September, further Recreational will be added where adults can come in and play various sports and activities as part of a social group.

27. Yeovil Squash Club offer adult and junior coaching sessions alongside their club sessions. Further squash coaching sessions are being added to the late afternoon and weekend part of the programme, once a coach has been recruited. Casual squash bookings are performing better than expected given the online booking, court refurbishment and ease of car parking.

28. Among the main sports bookings above, we also have a few martial arts and 5 aside bookings in the main hall and have a couple of classes that take place.

29. Exercise classes are running at 78% capacity and excellent feedback is being received regarding the class programme and studios.

30. The health and fitness gym is building its membership base steadily; with quite a bit of work currently being carried out with the staff to ensure that it continues to grow. Peak use

periods are early morning and early evening with quiet periods in between. There are plans to open up the gym to target groups during the quiet times including teen gym sessions early afternoon and 50+ late mornings.

31. Financially the Sport and Fitness Centre is performing ahead of expectation, and is on track to deliver a surplus in Q4.

Financial Implications

32. Financially the final project cost is expected to exceed budget. The Project Team and Project Board have continued to tightly monitor project spend and all risks are being actively managed and are under control.
33. The final project cost will be subject to the outcome of the final account negotiations with EBC.
34. In order to avoid compromising the Council's ability to secure best value through the subsequent final account negotiations, a confidential copy of the forecast project cost will be presented at the meeting.
35. It is expected that any shortfall will be met through a combination of additional banked S106 sums, revenue previously set aside by the Project Board, and usable capital receipts to manage this risk.

Risks

36. There are no new implications.

Corporate Priority Implications

37. There are no new implications.

Carbon Emissions and Climate Change Implications

38. There are no new implications.

Equality and Diversity Implications

39. There are no new implications.

Background Papers

District Executive:

- Westlands Leisure Complex (Executive Decision) – September 2015
- Westlands Leisure Complex (Executive Decision) – October 2015
- Westlands Leisure Complex – Progress Report – February 2016
- Westlands Leisure Complex – Lease Report – May 2016

Full Council:

- Westlands Leisure Complex (Executive Decision) – October 2015