

MEETING OF THE CABINET
TUESDAY, 20 SEPTEMBER 2022

ADDITIONAL PAPERS

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CABINET – 20 SEPTEMBER 2022

QUESTION AND ANSWER SESSION

QUESTION FROM SUSAN COLLEDGE TO COUNCILLOR R BAYLISS

“The demolition of the Hermitage Leisure Centre will cause the release of captured carbon. The figure is worked out using the EC3 captured carbon calculator. Current environmental recommendation is to repurpose rather than demolish any building possible.

Has this figure been factored into your calculations on your zero carbon target?”

REPONSE FROM COUNCILLOR R BAYLISS TO SUSAN COLLEDGE

“The EC3 calculator is an incredibly useful tool for considering the carbon footprint for a building which is about to be constructed. It includes a consideration of the embedded carbon that might be released when the building is eventually demolished and recycled at the end of its life. To provide any useful data the model requires knowledge of the embedded carbon value of the materials that are to be used in constructing the building. The embedded carbon in materials being a function of how they are produced.

Unfortunately, the model does not work for existing buildings. It is impossible to know what the embedded carbon value is of materials that were produced and incorporated into a building more than 30 years ago. For example how was the steelwork within the building frame produced, was it new or recycled steel, locally produced or shipped from overseas, how was the foundry powered- coal or gas?

We will never be able to calculate a figure for the embedded carbon within the former Hermitage Leisure Centre. What we will do however is ensure that as much of the building as possible is recycled post demolition and we will also be able to calculate how much carbon is saved by no longer having to heat, light and secure the premises.”

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QUESTION AND ANSWER SESSION

QUESTION FROM PARISH COUNCILLOR PETER MOULT TO COUNCILLOR R BAYLISS

The option of community ownership would deliver most of the aspirational 'vision' included within the original consultancy report .

As a forward thinking council, This would be a great step forward in the provision of infrastructure for the use of the whole area, in particular the vulnerable groups in our society who do not engage with the current mainstream sports and activities on offer.

As the option of Community ownership will deliver most of that vision, why is it not being considered?

REPOSENSE FROM COUNCILLOR R BAYLISS TO PARISH COUNCILLOR PETER MOULT

The vision document sets out plans for whole of the Hermitage Recreation Grounds.

The decision before Cabinet tonight relates only to that part of the Hermitage Recreation Grounds upon which Hermitage Leisure Centre sits and which Community Services have stated is no longer required by that service.

There is another Council Department which has a need for the land upon which the Hermitage Leisure Centre Buildings sit and it is in accordance with council policy to make the land available to that Department for the delivery of alternative services, where those services are a priority for the Council.

Subject to Cabinet consideration of the Vision document at a later date, it is intended that Hermitage Recreation Ground (excluding the Hermitage Leisure Centre land) will remain with Community Services for the delivery of the Vision. It is perfectly reasonable to believe that community involvement in the operation of facilities on the area of Hermitage Recreation Grounds retained with Community Services is possible and can be explored further as the vision is developed into detailed proposals.

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CABINET – TUESDAY, 20 SEPTEMBER 2022

ITEM 5 – HERMITAGE LEISURE CENTRE BUILDING – FUTURE DIRECTION

COMMUNITY SCRUTINY COMMITTEE – WEDNESDAY, 7 SEPTEMBER 2022

Since the publication of the Cabinet agenda, officers have received comments on the draft minutes of the Community Scrutiny meeting, at which the future direction of the Hermitage Leisure Centre was considered.

Officers have reviewed the comments received against the draft of the minutes and the recording of the meeting, and an amended version of the draft minutes are attached. The minutes will then be considered at the meeting of the Community Scrutiny in November.

All members of the Cabinet have been sent the link to view the recording of the scrutiny meeting.

Officers have also provided the members of the Scrutiny Committee with additional information that was requested at the meeting. This is also attached to this paper.

WHITWICK PARISH COUNCIL

Since the publication of the agenda, officers have received further correspondence from Whitwick Parish Council, who have sort advice in relation to disposals of Assets of Community Value. The advice that they have received is detailed below.

Dear Members,

As you know, I sought advice from LRALC on the potential disposal of the Hermitage Leisure Centre (see my question below). The following legal advice has now been received from the specialist solicitor that LRALC utilise. They are happy for this to be shared with NWLDC too:

Dear Kirstie/Jake

Thank you for the below enquiry. Frances is no longer working at the firm.

In our view, the footprint is not the asst that is ACV. It is what is on that land and how it is used that is an ACV.

If a building that has been registered as an ACV is demolished without being replaced with a building for the same use, then it is effectively removing that building/land from the ACV register.

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Present: Councillor J Hoult (Chairman)

Councillors R L Morris, C C Benfield, J Clarke (Substitute for Councillor A J Bridgen), T Eynon, J Geary, M D Hay, G Hoult, J G Simmons and M B Wyatt

In Attendance: Councillors J Legrys and S Sheahan

Portfolio Holders: Councillors R Bayliss and A Woodman

Officers: Mr J Arnold, Mr A Barton, Ms R Haynes, Mr J Knight, Mr K Stevens, Mrs R Wallace, Miss E Warhurst and Mr P Wheatley

52. APOLOGIES FOR ABSENCE

Apologies were received from Councillor A Bridgen.

53. DECLARATION OF INTERESTS

Councillors C Benfield, T Eynon, J Geary, Haye and Morris declared that they had entered conversations with public organisations and residents in relation to item 3 – Former Hermitage Leisure Centre Building Future Direction, however maintained an open mind.

Councillor M B Wyatt declared a registerable interest in item 3 - Former Hermitage Leisure Centre Building Future Direction as member of Whitwick Parish Council.

54. FORMER HERMITAGE LEISURE CENTRE BUILDING FUTURE DIRECTION

The Chair welcomed Members to the meeting and due to the complex nature of the item, explained the process to be followed. Reference was made to the petition received as detailed within the report and it was noted that in accordance with the petition scheme, as the lead petitioner was not in attendance, the matter would not be considered at the meeting.

The Chair invited Ms S Colledge, Whitwick Parish Councillor, to address the committee in relation to the Parish Council's submission detailed within the report and additional papers. She expressed concerns that as a significant stakeholder, Whitwick Parish Council were not involved early enough in the consultation process. The Committee were reminded that the Hermitage Leisure Centre was designated as an Asset of Community Value following the applications from Whitwick Parish Council and it was concerning to see the proposed demolition of the site coming forward. Members were referred to the additional papers which detailed alternative proposals from Whitwick Parish Council for community ownership of the building. Members were asked to give this alternative proposal a chance and if it was not viable after two years, the Council could take the asset back and nothing would be lost. The Committee were urged to support and recommend Whitwick Parish Council's proposals to Cabinet

The Chair invited the Committee to ask any questions of Ms Colledge and the following responses were received:

- It was estimated that it would take approximately two years to establish the Community Ownership Fund and to have the building successfully operational.
- Whitwick Parish Council understood that it was the structural building that had been listed as an Asset of Community Value rather than the land as detailed within the report.

- ~~The high costs of the works as proposed within the report was concerning when compared to the considerably lower costings detailed within Whitwick Parish Council's proposals for the building. The £2million costs proposed by CBRE within the report were concerning when compared to the lower £80,000 costs proposed by Whitwick Parish Council. Both proposals were prepared by highly respected local companies.~~
- ~~The accuracy of the report was questionable as the dates for the original construction of the building seemed incorrect. The accuracy of the report was questionable as Whitwick Parish Council claimed to have evidence that the building construction dates were incorrect.~~
- In relation to the suggested lack of consultation with Whitwick Parish Council, Ms Colledge explained that officers were regularly asked for updates as it was a standing item on the parish monthly meeting agenda and was told there were no update or progress. information was not available. The parish council were not involved in the consultation until the community feedback event.

The Chair invited Mr R Woodward, representative of the Whitwick Action Group, to address the Committee. He highlighted the work of the group in recent years to protect the green wedge in Whitwick from development, this included campaigning, lobbying, planning appeals and judicial reviews which had all been successful. He reminded Members that the development of the new leisure centre meant the loss of some of the green wedge and therefore the Whitwick Action Group were opposed to any development on the former Hermitage Leisure Centre site and requested that the land be retained as part of the green wedge and protected for leisure use only. He felt that any development would set a dangerous precedent and urged the Committee to not make the mistake of supporting the draft Cabinet recommendations to demolish a much-needed community asset.

The Chair invited the Committee to ask any questions of Mr Woodward and the following responses were received:

- The Whitwick Action Group understood that it was the structural building that had been listed as an Asset of Community Value rather than the land as detailed within the report. Mr Woodward felt that community should be given the option to use the building.
- In relation to the site access, it was Mr Woodward's opinion that the current access would make it easier to develop the rest of the green wedge.
- It was Mr Woodward's opinion that importance was not being placed on protecting the green wedge but rather on building houses.
- Mr Woodward defended his statement that the situation had changed dramatically as it had been agreed to not develop the green wedge and the proposal was now to build housing.

The Head of Property and Regeneration presented the report to Members.

Members asked several questions of clarity and received answers on the following matters:

- ~~There was not an original design brief which stated the lifespan of the building but it was confirmed that A 30years-year lifespan- 30 years was the usual lifespan timeframe for a leisure building such as the former Hermitage Leisure centre.~~
- Separating the leases for the building and the land so that the building could be gifted to the Parish Council was problematic due to the legalities involved. It also meant the loss of control of a Council asset.

- Members were referred to the breakdown of costings as detailed within the additional papers and a full explanation was given on options of both full and partial demolition, and the difficulties involved in partial demolition.
- An explanation was given on the process taken to get to the current position in accordance with the Asset Management Policy. Members were informed that the Asset of Community Value would not be triggered as the land was not being disposed of.
- In relation to the covenant on the site to protect the land for leisure use only, officers confirmed that this only included the land surrounding the building and a small part of the building footprint. Therefore, this would be retained for leisure use.
- There was no legal reason why the costs for demolition and clearing of the site could not be funded by the Coalville Regeneration budget provision. It was also deemed appropriate as the service to be delivered on the site would benefit residents across the district.

During discussion on the current state of the building, reference was made to the recent site visit with several Members believing that the dry side of the building was still structurally sound and watertight. The poor condition of the wet pool side was acknowledged however, therefore some Members were of the opinion that the best option would be partial demolition to retain a building that could be used by the community.

At the request of a Member, the Head of Property and Regeneration agreed to provide the full cost to the council for the structural report provided by CBRE, outside of the meeting to all Committee Members.

A Member raised concerns that the cost estimations within the report could be too low due to the cladding on the building. It was also queried as to why the Whitwick Parish Council should take ownership when it was a wider community asset.

Some Members felt that the economic case was a strong one and it was difficult to agree any other remediation. It was felt that it would be better financially to build a new community building that would meet all regulations, carbon targets and community needs, rather than retaining an uneconomical building.

Members acknowledged the views of the speakers in attendance at the meeting and appreciated their objections as they agreed there was a need for a leisure building in Whitwick. The Head of Property and Regeneration concurred with the need for a leisure facility as this was something he was working on in relation to the regeneration of the area, however it was important to look at the long-term future and that was not with an old building that was unfit for purpose.

Reference was made to the monthly costs to the council to maintain the building in its current state, as it calculated as approximately £450 per day. A request was made to receive a more detailed breakdown of these costs. The Head of Property and Regeneration summarized that the headline costs were for security, maintenance/repairs and business rates provision, however he would provide a detailed breakdown to Members outside of the meeting.

A discussion was had on the site in relation to how it fit into the green wedge and the Council's Local Plan. It was noted that the footprint of the building did not form part of the green wedge and was not included under Local Plan Policy.

It was commented that although the points in relation to the leisure covenant on the land and the appropriation of the asset were technically correct, it did not make it any easier for the public to agree and caused frustration. A Member challenged the opinion that the partial demolition was unviable when the Council would still have an asset worth an estimated £750,000 once completed. It was suggested that there were other ways to hand over the building to the community, such as a partial demolition and then rather than gifting the building, a peppercorn rent be offered for a specific amount of time to allow funds to be raised before establishing a formal lease agreement. It was felt that too much

emphasis had been placed on receiving as much money as possible for this asset and it would be a shame for the community to miss out due to financial reasons. The Strategic Director for Housing and Customer Services reminded Members that it was a statutory responsibility to achieve the highest funds available from a council asset.

In relation to the draft recommendations to Cabinet, a Member felt that it was hard to support recommendation 4 due to the appropriation of the site from the General Fund to the Housing Revenue Account, this was deemed inappropriate.

At the request of a Member further clarification was provided on the accounting and appropriation process, in particular how the debt involved was balanced. There was a concern that it could mean less money for maintaining the housing stock but the Strategic Director assured Member that was not the case as the income stream from developing the site would offset the debt.

A Member raised concerns that two major stakeholder groups within the community seemed to have been ignored during the consultation process and it was clear that the public believed that decisions had already been made regardless of the outcome of the consultations. The business case for the proposed option of demolition was also questioned as the draft recommendations to Cabinet were asking for approval before business cases had been received. The Strategic Director for Housing and Customer Services assured Members that the correct procedure had been followed and a preliminary business case had been produced to show that the proposals were viable. It was the finer details that would now be worked through and included in the full business case, as was usual practice.

Councillor J Geary proposed that the committee recommend to Cabinet that the former leisure centre building be retained and leased out to be used as a community asset. It was seconded by Councillor M B Wyatt.

At the request of a Member the meeting was adjourned at 8.13pm and reconvened at 8.20pm.

Further discussion was had on the motion in front of Members, and some comments were made in reference to the difficulty in separating the land and the building for leasing.

A Member reminded the Committee that they were considering a building that was no longer fit for purpose which was a drain on council funds, it was his opinion that retaining the building was not the right action to take as it was the Members duty to protect the public funds.

The following amended motion, agreed by Councillor J Geary as proposer and Councillor M B Wyatt as seconder was put to the vote:

'Along with the comments made by the Committee, a recommendation be made to Cabinet that phase 3 of the former Hermitage Leisure Centre building be retained as a community asset and gifted with the lease of the land to a charitable group.'

A recorded vote being requested, voting was as detailed below:

**Along with the comments made by the Committee, a recommendation be made to Cabinet that phase 3 of the former Hermitage Leisure Centre building be retained as a community asset and gifted with the lease of the land to a charitable group.
(Motion)**

Councillor Jim Hout	Against
Councillor Ray Morris	Against
Councillor Carl Benfield	For
Councillor John Clarke	Against
Councillor Dr Terri Eynon	For
Councillor John Geary	For
Councillor Michael Hay	For
Councillor Gill Hout	Against
Councillor Jenny Simmons	Against
Councillor Michael Wyatt	For
Councillor Jim Hout	Against (Casting Vote)
Rejected	

Following a discussion on the voting procedure, the Head of Legal and Commercial Services confirmed that as the officers' recommendations were to provide comments on the report and draft Cabinet recommendations, the Committee did not have to come to a consensus, all comments would be noted and presented to Cabinet.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 8.33 pm

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This note provides the additional information requested by members during the Community Scrutiny Committee meeting on 7th September 2022 – Former Hermitage Leisure Centre agenda item.

Q1 – Request for a breakdown of the costs of maintaining the former Hermitage Leisure Centre building in its mothballed state.

Hermitage Leisure Centre Mothballing Costs

Summary 22/23

Security	£	10,680
Vacant Business Rates (no relief)	£	84,653
Interior site Clearance – (now complete)	£	18,670
Utilities	£	60,589
Repairs & Maintenance	£	16,500
Compliance & Service Contracts	£	9,451
Decommissioning requiring specialist contractor	£	10,000
Contingency	£	-
Total per year	£	210,543
Or, per month	£	17,545

Q2 – What was the cost to the council of procuring the CBRE Building Condition report.

Cost to procure Building Condition Report from CBRE was £8,750

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