

28 February 2017 at 7.00 pm

Conference Room, Argyle Road, Sevenoaks

Despatched: 20.02.17



# Housing & Health Advisory Committee

## Membership:

Chairman, Cllr. Lowe; Vice-Chairman, Cllr. Parkin

Cllrs. Mrs. Bosley, Dr. Canet, Dyball, Eyre, Gaywood, Halford, Horwood, Parson, Pearsall and Scott

## Agenda

	Pages	Contact
Apologies for Absence		
1. <b>Minutes</b> To agree the Minutes of the meeting of the Committee held on 29 November 2017, as a correct record.	(Pages 1 - 6)	
2. <b>Declarations of Interest</b> Any interests not already registered.		
3. <b>Actions from Previous Meetings</b>	(Pages 7 - 8)	
4. <b>Update from Portfolio Holder</b>	(Pages 9 - 10)	
5. <b>Referrals from Cabinet or the Audit Committee (if any)</b>		
6. <b>Sevenoaks Leisure Centre Application for a loan by Sencio Community Leisure</b>	(Pages 11 - 26)	Lesley Bowles, Adrian Rowbotham Tel: 01732 227335/7153
7. <b>Housing needs study</b>	(Pages 27 - 28)	Gavin Missons Tel: 01732 227332
8. <b>Statement of principles for determining the amount of a penalty charge</b>	(Pages 29 - 38)	James Cox Tel: 01732227312
9. <b>To note minutes of the Health Liaison Board</b> To note the minutes of the meeting of the Health Liaison Board held on 8 February 2017.	To follow	

## 10. **Work Plan**

(Pages 39 - 40)

### EXEMPT INFORMATION

At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public.

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or [democratic.services@sevenoaks.gov.uk](mailto:democratic.services@sevenoaks.gov.uk).

**HOUSING & HEALTH ADVISORY COMMITTEE**

Minutes of the meeting held on 29 November 2016 commencing at 7.00 pm

Present: Cllr. Lowe (Chairman)

Cllr. Parkin (Vice Chairman)

Cllrs. Mrs. Bosley, Eyre, Halford, Horwood, Parkin, Parson, Pearsall and Scott

Apologies for absence were received from Cllrs. Dr. Canet and Dyball.

29. Minutes

Resolved: That the Minutes of the meeting held on 4 October 2016 be approved and signed by the Chairman as a correct record.

30. Declarations of Interest

No additional declarations of interest were made.

31. Actions from Previous Meetings

There were none.

32. Update from Portfolio Holder

The Portfolio Holder's update was noted. The Portfolio Holder further advised that the Department of Work and Pension (DWP) were interested in the pocket HERO scheme and Cllr. Pearsall and HERO Officer, Mike Williams would be attending a meeting with them in December.

33. Referrals from Cabinet or the Audit Committee

There were none.

34. Out-of-hospital care system

The Chief Officer Communities & Business presented the report which updated Members on the work of officers to develop hospital discharge services to support people to return home from hospital faster by improving their home environment and lifestyle.

Members commended the initiative. The Chairman advised that the Council was the first in the country to do this and the Municipal Journal was therefore interested in covering it as a feature.

The Chief Officer Communities & Business advised that they did not want to over commit resources and wanted to concentrate on the current programme before looking to talk or commence anything with Dartford and Gravesham Clinical Commissioning Group. The Chairman advised that it was also linked to the health integration deal and once this was in place it would be easier to replicate with Dartford & Gravesham.

Resolved: That the report be noted.

### 35. How planning policy fits in with health (brainstorming)

Members received a [presentation](#) from the Strategic Planning Manager to facilitate their brainstorming session to consider how planning policy fits in with health. The Housing Policy Manager reported that the consultation on the recently commissioned housing study (from the consultants, arc4 ltd) to provide detailed commentary on the housing needs identified in the Strategic Housing Market Assessment ( SHMA 2015), had closed that day. Around 8,600 responses had been received which reflected about 18% which was a good result for this type of survey. Prior to the findings of the study being presented to the Committee in February, there would be a stakeholder information event on Wednesday 11 January from 10am to 12 Noon. A Member requested that consideration be given to an evening event for those that could not make a daytime one.

*Action 1: That the Housing Policy Manager explore the possibility of an evening stakeholder event.*

In response to a question he advised that prefabricated buildings were currently being discussed with an almshouse charity as part of a wider complex.

Following the information provided, Members shared their thoughts. Brief notes of the brainstorming session are listed below.

Idea	Take forward by (who)	Take forward by (when)
Ways to protect the number of 2/3 bed houses and restrict extensions	Not possible unless have a buy back clause or a housing association owns a small part	
Planning policy provision to maintain safe paths and greens	Planning Policy	Local Plan timescale

Idea	Take forward by (who)	Take forward by (when)
Neighbourhood plans to meet local needs	Planning Policy	As Neighbourhood Plans come forward
Provision for cars - they enable people to get out and about, particularly older or people with particular needs and plan for an increase in vehicles over 20 years. A necessity in older age and for people with disabilities	Planning Policy	Local Plan timescale
Can we target mental health activities to people in their local areas. Mental Health crisis cafes to help people before they deteriorate. Work with local mental health organisations - perhaps use CIL budget. Like a dementia café but for mental health	Communities & Business team	As part of the devolution 10 point check list - audit of local areas around GP surgeries
Policies to make future roads wide enough to take cars so that people don't park on green spaces and pavements	Planning Policy	As part of the Local Plan
Air Quality. Problem with pollution on Christchurch ward. Has it been identified as an air quality monitoring site?	Environmental Health	Check that this is part of the Air Quality Monitoring Plan
GP provision - how do we know if the provision is sufficient to meet local needs. CCGs need to identify needs in advance	Planning policy and CCGs	For Infrastructure plan timescale
How do we provide for schools where there is population growth? Need discussions about the scale of new development. Approach KCC to ensure that they are correctly forecasting school places need for the district - and that the supply is in the District rather than outside.	Planning Policy and Local Strategic Partnership - and Local Children's Partnership	Immediately

# Agenda Item 1

## Housing & Health Advisory Committee - 29 November 2016

Idea	Take forward by (who)	Take forward by (when)
Also need to plan for the demographic needs of people who may move to the district from outside and then want to start a family - pressure on schools and other services	Housing Policy	Gavin to mention to consultants straight away
KCC already predicting a £38m deficit in education provision for growth in Swanley. Also concerns about developments at Fort Halstead. Statutory duty to provide.	KCC with Planning Policy	
Need to get into discussions with KCC and CCGs next year when we have a better idea of the housing growth and where it will be	Planning Policy	Early 2017
BREEAM and housing standards	Planning Policy	
Broadband provision in new homes. Can we make it a planning requirement to have fibre to the premises. We would need to develop an evidence base that would support a new policy.	Economic Development and Planning Policy	As part of the Local Plan timescale
Can developers also be required to provide main utilities rather than have to rely on eg private water supply	Planning Policy	
Domestic Abuse one stop shops	Community Safety team	
Taking dementia friendly forward. West Kingsdown hoping to be the first village.	Cllr Mrs Bosley	Spring 2017

Can the Council's trading company buy or build affordable homes.	Quercus 7	
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36. To note minutes of the Health Liaison Board

The Chairman of the Health Liaison Board presented the minutes of the meeting held on 4 October 2016 highlighting some of the discussion. The minutes were noted.

37. Work Plan

The work plan was noted.

THE MEETING WAS CONCLUDED AT 8.50 PM

CHAIRMAN

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ACTIONS FROM THE MEETING HELD ON 29.11.16			
Action	Description	Status and last updated	Contact Officer
Action 1	That the Housing Policy Manager explore the possibility of an evening stakeholder event. (Minute 36)	Stakeholder event changed to 18/01/17 and with two sessions from 2-4pm and 7-9pm (1/12/16)	Gavin Missons

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### **Housing & Health Advisory Committee**

**28 February 2016**

#### **Portfolio Holders Report**

##### **Housing**

We have received the results of our district-wide data and Arc4 will be presenting the ward data at this evening's meeting. The main challenges that we face are:

- The survey has highlighted that the middle income group (£33,000 to £80,000) is in particular need in our district. They don't qualify for social rented accommodation and can not afford to buy on the open market. This group is heavily dependent on the private rented sector – much more so than other districts.
- Our private rented sector is only 12% of the total (compared to the English average of 18%) and it is serving higher income groups than other districts where it is helping to provide housing for people earning less than £33,000.
- The over 65s is our largest growing age group - housing and community challenges to help them live independent lives for as long as possible. Some are asset rich and cash poor living in deteriorating homes.
- House prices remain very high (up to 17 times average wages). LHA (Local Housing Allowance) is too low for this district and needs to be brought in line with London.
- More pressures on temporary accommodation
- Benefit changes and the potential of increasing evictions
- Keeping homelessness low

The SDC HERO bid for the Prime Minister's trailblazer funding for innovative solutions to combat homelessness was successful – and we were granted nearly £100,000 for three years for extra HERO support and to upskill them into Super HEROs with health skills. Sevenoaks was the only successful single district nation-wide.

The DFG team is now working in Pembury, Sevenoaks and Edenbridge hospitals preparing homes for people while they are in hospital so that they can be discharged sooner. We plan a similar scheme at the Darent Valley and Livingstone hospitals.

I attended the South East England's Council meeting on Friday 27 January which focussed on housing issues that face the South East.

On 23 February I attended the West Kent Housing Association and Sevenoaks District Council's annual liaison meeting.

##### **Health & Leisure**

As Chairman of the DCN's Healthy Towns and Villages Network I attended the DCN Conference (2 – 3 February) to present at the Health and Wellbeing workshop. Richard Morris and I talked about implementing the King's Fund Report recommendations in Sevenoaks via the Health Integration

## Agenda Item 4

Deal. Richard focussed specifically on planning as a major tool in helping to promote good health and wellbeing.

The West Kent Integration Deal should be operational by the Spring, and the CCGs are interested in taking a more active role in the Health Board – To have four local authorities and the CCGs all pulling together in the same direction should yield excellent health results for the district.

The St John's health pilot is now underway. This is a King's Fund pilot scheme to measure the difference a district council can make with health and wellbeing in a particular area. St John's was chosen as it is relatively small, it has a school, it is close to the leisure centre, it has pockets of deprivation and we have an excellent relationship with the local GP surgery.

The MJ magazine published the following article on loneliness:

<http://www.themj.co.uk/article/author/Cllr-Michelle-Lowe>

## **SEVENOAKS LEISURE CENTRE - APPLICATION FOR A LOAN BY SENCIO COMMUNITY LEISURE**

### **Housing & Health Advisory Committee - 28 February 2017**

Report of                      Chief Officer - Communities & Business

Status:                      For Decision

Also considered by:      Finance Advisory Committee - 31 January 2017  
Cabinet - 9 March 2017

Key Decision:              Yes

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**Executive Summary:** Sencio Community Leisure have brought forward plans for works to Sevenoaks Leisure Centre to extend the gym in order to take advantage of unmet latent demand for fitness in Sevenoaks. Members are asked to agree a loan to Sencio of £600,000 over ten years at an interest rate of 6% per annum.

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**This report supports the Key Aim of reducing health inequalities and improving health and wellbeing for all.**

**Portfolio Holder**      Cllr. Michelle Lowe, Cllr. John Scholey

**Contact Officer**      Simon Davies, Ext. 7374

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#### **Recommendation to Finance Advisory Committee:**

That Members recommend to Cabinet that Sencio be granted a loan of £600,000 over ten years at an interest rate of 6% per annum under the terms set out at Paragraph 29.

#### **Recommendation to Housing & Health Advisory Committee:**

That Members recommend to Cabinet that Sencio be granted a loan of £600,000 over ten years at an interest rate of 6% per annum under the terms set out at Paragraph 29.

#### **Recommendation to: Cabinet:**

- a) That Members agree a loan of £600,000 over ten years to Sencio at an interest rate of 6% per annum and;
  - b) That Members delegate powers to Officers to draft a loan agreement and License for Alteration in accordance with the recommendations set out at paragraph 29.
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**Reason for recommendation:** The gym at Sevenoaks Leisure Centre does not currently have sufficient capacity to take advantage of the numbers wishing to use it. The proposed works to Sevenoaks Leisure Centre will allow Sencio to take advantage of unmet latent demand in the town and to make improvements to the building, which is owned by the Council.

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### Introduction and Background

- 1 The original Sevenoaks Swimming Centre, which dated from the 1980s, was developed into a leisure centre by the construction of an extension to incorporate a 38 station fitness suite, health suite and a dance studio. The extended leisure centre was opened in February 2001.
- 2 Sencio Community Leisure, a not-for-profit leisure trust, was set up in 2004 and Sevenoaks Leisure Centre, along with Edenbridge and White Oak Leisure Centres and Lullingstone Park Golf Course, was transferred to Sencio on a 25 year lease, which is due to expire in 2029.
- 3 In 2008, Sencio undertook works to Sevenoaks Leisure to increase capacity at the gym. The health suite was removed and replaced by changing rooms and the fitness gym was extended to include 60 stations. The cost of these works was funded by a loan from this Council of £250,000 over ten years. Sencio will finish paying this loan in 2018.
- 4 Over the last few years, the gym at Sevenoaks Leisure Centre has become very busy with customers having to wait to use specific pieces of equipment.
- 5 Sencio's current membership of 2,200 results in a ratio of 37 members per station, which is in excess of the Sports England recommended 25-30 members per station.
- 6 Sencio have been exploring options for extending the number of stations to relieve pressure on stations and to take advantage of latent demand for fitness in the Sevenoaks area.
- 7 Sencio have developed a proposal with Createability, a design and construction company who specialise in leisure refurbishments, for works to extend the refurbish and extend the current gym at Sevenoaks Leisure Centre.
- 8 Sencio are asking Sevenoaks District Council for a loan of £600,000 to fund the building works at Sevenoaks Leisure Centre.

### Leisure In Depth Scrutiny

- 9 The Leisure In Depth Scrutiny Working Group considered whether Sencio offered value for money and what areas of cost could be reduced.
- 10 The Working Group considered that there were a number of positive aspects to the provision of leisure services by Sencio. Sencio's management fee had reduced by 84% between 2004 and 2015, whilst usage had risen by 4.3%.

Sencio had made investments to improve the leisure offer in the District and maximise their income. Sencio's Sales Manager had made significant changes to drive up memberships and maximise income. Sencio had undertaken measures to reduce head office and other costs.

- 11 However, taking into account Sencio's efforts to increase its income and reduce its costs, the sub-committee did not consider that Sencio offered good value for money to the Council as they had failed to ensure that their income significantly outweighed their operating costs. Scrutiny Committee on 5 July, resolved that Cabinet review the management and asset management fees paid to Sencio and consider whether the Council could more effectively carry out the outreach element of the Sports Development function while retaining part of the management fee.
- 12 Cabinet, on 15 September 2016, discussed the report and resolved that the report be referred to the Housing and Health Advisory Committee.
- 13 Housing & Health Advisory Committee, on 4 October 2016, resolved that the management and asset management fees paid to Sencio be considered. Subsequently, a reduction in management fees was put forward as a budget saving for 2017/18 onwards.

#### **Proposed Works**

- 14 A copy of Sencio's proposal is set out at Appendix A. Sencio proposes the following works at Sevenoaks Leisure Centre:
  - Conversion of the existing little used toddler pool into a new dance studio/multi-use space with storage.
  - Conversion of redundant spa area into dedicated changing areas - male and female;
  - Conversion of existing changing areas into downstairs fitness gymnasium (free weights/functional);
  - Refurbishment of existing dance studio and new access corridor to new dance studio;
  - Refurbishment of existing fitness gymnasium and disabled change;
  - Refurbishment of first floor corridor to existing fitness gymnasium;
  - Development of new corridor to existing teaching pool;
  - New flooring to reception and catering area;
  - Provision of new fitness equipment (100 stations).

### Latent Demand

- 15 In 2014, SDC commissioned The Sports Consultancy Ltd (SCL) to undertake a business case review for the extension of the gym at Sevenoaks Leisure Centre.
- 16 The report profiled consumers on a postcode basis and their propensity to join health and fitness clubs. It considered any competing facilities in the catchment area and enabled a detailed estimate of the likely overall membership targets to be defined.
- 17 The study identifies a latent demand for the area of 2,900. Sencio's current gym membership at Sevenoaks Leisure Centre stands at 2,200. The unmet latent demand in the Sevenoaks area is 700.
- 18 Sencio's Business Plan is based on a net gain of 513 new members by year 3 of the plan.

### Project Funding

- 19 The total cost of the building works at Sevenoaks Leisure Centre is £ 681,716 including VAT. Createability guaranteed this price up to December 2016 and indicated that 2% per quarter will need to be added for inflation purposes. Therefore, from January 2017, the total cost of the building work will be £695,350.
- 20 Following the demolition of Raley's gym, the Section 106 planning agreement has identified £95,000 to be made available by Sevenoaks Town Council to support leisure provision elsewhere in the town. The Town Council has confirmed that the £95,000 will be provided towards this project.
- 21 Sencio are asking the Council for a loan of £ 600,000 to fund the building work.
- 22 The cost of new fitness equipment, free weights etc for the gym will be £286,000 excluding VAT. This equipment will be leased and financed by Sencio.
- 23 A summary of the funding for the refurbishment is as follows:

**TOTAL PROJECT COSTS (based on the contract being issued before 31 March 2017)**

	£000
Total cost of building works, inc. VAT	695
Cost of new fitness equipment, exc. VAT	286
<b>TOTAL</b>	<b>981</b>

## PROPOSED FUNDING FOR PROJECT

	£000
Cost of equipment leasing to be met by Sencio	286
Sevenoaks Town Council Section 106 funding	95
Requested loan from SDC	600
<b>TOTAL</b>	<b>981</b>

## Key Implications

### Financial

- 24 The income and expenditure figures included in the cash flow statement show that the additional income from users is more than the annual costs incurred for additional running costs and loan repayments.
- 25 The loan would be issued at an interest rate of 6% per annum to be repaid over 10 years. The interest rate has been set at 6% per annum to ensure that Council funds are achieving the same return as if they had been invested using the Property Investment Strategy. The current average return from Treasury investments is 0.5%.
- 26 The funding for this project will not come from the Council's Property Investment Strategy funds, nor is the project being undertaken as part of the Property Investment Strategy.
- 27 Based on the expected additional income levels, the cost of the works will adequately increase the value of Sevenoaks Leisure Centre.

### Legal Implications and Risk Assessment Statement.

- 28 Under the terms of their lease, Sencio will need consent from this Council as the landlord for any alterations or additions in relation to activities consistent with the Permitted Use of the building as a leisure centre.
- 29 The agreed works will be recorded by way of a Licence for Alterations. The Licence will set out the terms for the works, and it is recommended that these will include:
  - That the improvements will be made to the Council's satisfaction;

## Agenda Item 6

- That the works be carried out in accordance with any statutory requirements, the cost of which need to be met by Sencio prior to any work commencing;
- Sencio will be responsible for the ongoing maintenance of and repairs to the works covered by the loan;
- At the end of the current lease in 2029, the Council will not be liable to pay Sencio for the improvements made.
- In the event that Sencio defaults on its loan repayment for the works, the Council will look to declare Sencio insolvent and thereby in breach of the lease and, subject to the Court's relief, terminate the same. This will be actioned if Sencio makes one loan repayment in excess of 30 days late or three loan repayments in excess of one day late.

### Equality Assessment

- 30 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this paper directly impact on end users. The impact has been analysed and does not vary between groups of people. The results of this analysis are set out immediately below.
- 31 Health and wellbeing activities at Sevenoaks leisure centre are open to all residents. Some restrictions may apply to certain activities and pieces of equipment in the gym due to age or pregnancy/maternity. The proposed alterations to the leisure centre will allow more capacity for residents to access the service.

### Safeguarding Children and Vulnerable Adults

- 32 Sencio has robust arrangements in place to safeguard children, young people and vulnerable adults.

### Community Impact and Outcomes

- 33 The alterations proposed by Sencio will make improvements to the leisure centre.
- 34 The proposed works will provide additional capacity for local residents and community groups to use the leisure centre. Additional capacity at the leisure centre will enable Sencio to better assist community groups and to support health and wellbeing initiatives.
- 35 Officers will produce a communications plan to ensure that members of the public are aware of the improvements.

## **Conclusions**

- 36 Sencio have brought forward proposals for works to Sevenoaks Leisure Centre to take advantage of unmet latent demand in the town. Members are asked to agree a loan of £600,000 for Sencio at an interest rate of 6% per annum, in line with the Council's Property Investment Strategy.

## **Appendices**

Appendix A - Sencio proposal for Sevenoaks Leisure Centre and Business Plan.

## **Background Papers:**

Sevenoaks Leisure Centre Business Case Review  
(Appendix A)

**Lesley Bowles - Chief Office Communities & Business**  
**Adrian Rowbotham - Chief Finance Officer**

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## **SEVENOAKS LEISURE CENTRE PROPOSED FITNESS GYMNASIUM REFURBISHMENT**

### **INTRODUCTION**

The leisure centre in Sevenoaks was developed by providing an extension to the existing Sevenoaks Swimming Centre in May 2000. Part of the extension included a health and fitness suite (fitness gymnasium, health suite and dance studio) which was developed from the old swimming centre reception area and changing rooms. These facilities were opened in February 2001.

In 2008, in order to meet customer demand, the health suite was removed, and replaced by changing rooms enabling the fitness gymnasium on the upper floor to be expanded to accommodate 60 stations an increase of 22 stations. The increase in the fitness gymnasium has resulted in membership numbers increasing 57% on the 2008 figure to circa 2200. The development was funded by the Council providing a loan of £250k to Sencio. This loan will be fully paid by 2018.

The leisure centre has operated successfully providing a range of sports, leisure, and health and fitness activities for the local community. Currently, approximately 70 fitness classes a week are run at the centre, which together with the fitness gymnasium generated 126,953 visits in 2015.

Nationally the health and fitness market has risen significantly over the last 10 years and both the private sector and the local authority/Trust sector recognise the importance of being able to serve the fitness needs of their communities. The health and fitness market is also an important commercial aspect of the leisure market and enables other more social activities such as swimming to be offered at realistic and often subsidised rates. It is predicted that the demand for health and fitness activities will continue to grow.

The existing fitness suite at Sevenoaks Leisure Centre is now 8 years old and in order to keep its position as a prominent provider of health and fitness and meet customer expectations it is imperative that the area is refurbished.

The proposed refurbishment project will not only enable Sevenoaks to maintain its market share but will also enable this share to grow and increase the revenue that can be generated from this area.

Being conscious of keeping any development within the fabric of the existing building and causing the least disruption to customers, the proposed refurbishment will involve:

- Conversion of the existing toddler pool into a new dance studio/ multi use space with storage
- Conversion of redundant spa area into dedicated changing areas – male and female
- Conversion of existing changing areas into downstairs fitness gymnasium (free weights/functional)
- Refurbishment of existing dance studio and new access corridor to new dance studio

- Refurbishment of existing fitness gymnasium and disabled change
- Refurbishment of first floor corridor to existing fitness gymnasium
- Development of new corridor to teaching pool
- New flooring to reception and catering area
- Provision of new fitness equipment (100 stations)

## **FEASIBILITY**

Since its original inception in 2014, the project has been revised and the building works kept within the fabric of the existing building. This has reduced the building costs considerably.

In 2014, the financial viability of the project was assessed by an independent specialist leisure consultancy, The Sports Consultancy. The feasibility study was based on the original capital build cost of £1.2m (excl VAT) with the number of fitness stations being between 100-120.

The Sports Consultancy commissioned a latent demand report from The Leisure Database Company Ltd. This report provided a detailed analysis of consumer demographics, using Experian's MOSAIC consumer profiling, for a defined core catchment area of 3 miles. The report identified the profile of consumers on a postcode basis and their propensity to join a health and fitness club. It identified competing facilities within the catchment area and their current membership numbers. This enabled a detailed estimate of latent demand to be produced and the likely overall membership targets to be defined.

These reports are accurate and are used by most major commercial health and fitness operators when making decisions on the location for new gym developments. As such, they provide a robust, but relatively conservative estimate of membership numbers - a key income generator in the business plan.

The latent demand analysis identified a latent demand for the total demand figure of 2,900, this is circa 700 members more than the current membership of 2,200.

The current provision of circa 60 stations is significantly less than the Sports Consultancy would recommend for the current membership of 2,200 and results in a ratio of 37 members per station. This is far in excess of the typical figure of 25 - 30 members per station.

The report identified that this would likely lead to lack of availability during peak times with customers having to wait to use specific pieces of equipment they may wish to use. In addition, this lack of capacity is likely to dissuade some potential members from joining and make recruitment and retention of members more difficult thus reducing the ability of Sencio being able to maximise membership and income as a result of the limited capacity.

## **COST OF PROJECT**

The overall project has been developed with Createability who undertook the previous refurbishment of the fitness gymnasium in 2008. Createability specialise in leisure refurbishments and have worked with over 55 local authorities and leisure Trusts in developing refurbishment projects of this nature.

a) Building works

Total build costs including project management excl VAT	£568096
Total costs including VAT	£681716

b) Equipment costs

Costs for new fitness equipment, weights etc. £286,000 excl. VAT

**c) Funding Options**

Sencio has approached various financial organisations to secure funding/loans to undertake the project including its bank. Whilst the bank has indicated in principle that it will consider a loan subject to the underwriters approval, the fact that the council is not willing to act as guarantor on the loan, coupled with the fact the remaining lease on the building is not of sufficient length to secure the loan against, the interest on any loan would be high (between 6.45 % and 7.45%).

The council has indicated that it may be willing to offer a loan to help fund the project.

The 106 planning agreement for the demolition of Rayley's gym identifies £95,000 to be made available by the town council to incorporate into Sencio gym facilities. These monies have been confirmed by the town council for the project.

The total cost of the building works is outlined above : £681716

Minus £95k funding from STC : £586716

Loan required from SDC to fund the building works : £600k

The equipment will be leased and funded by Sencio direct.

**COST CERTAINTY**

Createability has provided cost certainty on the building works and will project manage.

However, they have indicated that depending on the timescales of when the building works can commence inflationary costs of 2% per quarter will need to be applied.

Createability has guaranteed the price up to December 2016.

The 2% inflationary increase will add another £13,634.00 to the building works each quarter.

### **TIMESCALES**

It is imperative that the programme for the refurbishment is as short as possible and that any disruption to customers is kept to a minimum. The overall building works are estimated to be 18 weeks. Exact timings of the project have yet to be agreed but the work is likely to be phased as follows:

Mobilisation 6-8 weeks from signed agreement

- Conversion of toddler pool and wet side corridor by teaching pool
- Development of downstairs gym and changing rooms
- Refurbishment of existing gym/ disabled change
- Refurbishment of existing dance and build of new corridor to new dance studio
- Refurbishment of upper corridor
- Reflooring in reception and catering areas

Timing of the project is critical and it would have been ideal to have the new fitness gymnasium opening before March next year to maximise on the peak demand for new fitness members following the Christmas period. However as the loan will need to be approved by both the Finance Advisory Committee and Council's Cabinet this is not feasible.

### **BUSINESS CASE**

The overall business plan is attached as an appendix to this plan.

The business proposition has been based on a steady and deliberate build up over 3 years with a funding period of 10 years for the building at an assumed rate of 6% and 5 years for the equipment costs.

As Sencio is unable to reclaim all of its VAT costs, the first year shows a high level of irrecoverable VAT due to the VAT on the build costs. This results in the overall surplus being reduced for the first year. However, no account has been taken of the reduction in current members as a result of the new gym and dance studio being developed.

The latent demand analysis identified a latent demand of 700 based on the current membership base of 2200. The business plan has been based on a net gain of 517 members by year 3.

### **SUMMARY**

As outlined in the Sports Consultancy report, the results of the Leisure Database's latent demand analysis showed there is scope to increase membership, participation and income through the extension of health and fitness facilities at Sevenoaks Leisure Centre.

The reports also highlighted the following key issues:

- the current facilities are operating at a high member per station ratio of 37 members against a norm of 25-30 per station
- the current high level of members reduces the quality experience for customers
- the current high level of members limits Sencio's ability to increase membership and revenue generation.
- there is only one other competing facility within the core catchment area placing Sevenoaks Leisure Centre in a good position to capitalise on the latent demand that exists.
- in line with Leisure Database latent demand forecasts their findings supported an increase in membership to 2,900 although it is quite common for facilities to over perform against the Leisure database's forecasts if a high quality facility is provided in a good catchment area.

The proposed refurbishment of the fitness gymnasium and development of an additional dance studio is vital in ensuring that Sevenoaks Leisure Centre meets an identified need in not only improving the quality of facilities for existing members but also in attracting new members to the centre thus maintaining its position as a premier fitness/health and well being provider in the community.

## Agenda Item 6

### Business plan showing income and expenditure for 5 years the proposed gym extension at Sevenoaks Leisure Centre

<u>Additional income</u>					
	yr1	yr 2	yr3	yr 4	yr 5
Casual Users	£19,200	£19,200	£19,200	£19,584	£19,976
Induction	£160	£160	£160	£170	£170
Fitness Memberships	£224,380	£301,730	£326,593	£326,593	£326,593
Fitness Classes	£34,170	£41,820	£49,470	£50,459	£51,469
Joining Fees	£4,553	£4,553	£5,168	£5,271	£5,376
Personal Training	£9,000	£9,000	£9,000	£9,000	£9,000
Hire dance studio	£9,000	£11,040	£14,100	£14,382	£14,670
<b>total</b>	<b>£300,463</b>	<b>£387,503</b>	<b>£423,690</b>	<b>£425,459</b>	<b>£427,253</b>

<u>Additional expenditure</u>					
Staff costs	£108,761	£114,177	£119,548	£120,743	£121,951
R & M and equipment servicing	£0	£2,000	£4,000	£10,000	£10,000
Marketing	£2,000	£1,000	£1,000	£1,500	£1,500
Licences	£3,700	£4,375	£5,050	£5,050	£5,050
HP/equipment lease costs	£58,000	£58,000	£58,000	£58,000	£58,000
Loan repayment	£79,935	£79,935	£79,935	£79,935	£79,935
Irrecoverable VAT	£30,000	£15,889	£15,889	£15,889	£15,889
<b>total</b>	<b>£282,396</b>	<b>£275,376</b>	<b>£283,422</b>	<b>£291,117</b>	<b>£292,325</b>
<b>profit/deficit</b>	<b>£18,067</b>	<b>£112,127</b>	<b>£140,268</b>	<b>£134,342</b>	<b>£134,928</b>

#### Notes

Staff costs includes New Living wage implications

R & M - fitness equipment -free servicing for the first 3 years

Equipment lease costs . CV equipment is HP rental for 5 years whilst resistance equipment / weights is leased purchased 7-10 years depending on the piece of kit. At the end of 5 year HP agreement new CV equipment will be obtained by a new HP rental agreement. At the end of the lease agreement for the resistance/weight equipment they will be traded in and new kit obtained on a new lease agreement

#### Irrecoverable VAT

VAT payments for the first year are high due to the build costs.

**DIMENSIONS & STRUCTURAL ALTERATIONS  
ARE SUBJECT TO A DETAILED SURVEY**

**1. GENERAL**

- 1.1 Do not scale drawings
- 1.2 All dimensions are in millimetres and all levels are in metres above ground level, unless noted otherwise.
- 1.3 The provision of this information does not absolve other parties involved in these works from making their own checks and verifications. It is the responsibility of the client to ensure that the information is used in accordance with the relevant standards and regulations and to ensure that the information is used in accordance with the relevant standards and regulations.

Rev.	Revised	Date	Drawn	Checked
01	Initial	12/01/16	JH	JH
02	Revised	12/01/16	JH	JH
03	Revised	12/01/16	JH	JH
04	Revised	12/01/16	JH	JH
05	Revised	12/01/16	JH	JH
06	Revised	12/01/16	JH	JH
07	Revised	12/01/16	JH	JH



**CREATEABILITY**

**CLIMATE**

**CLIMATE**

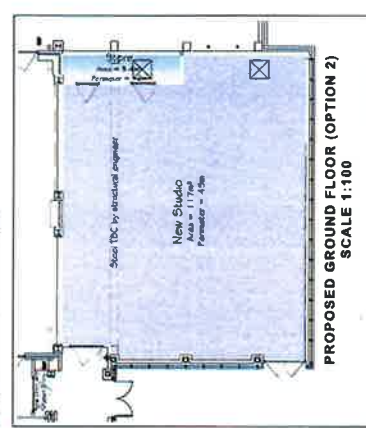
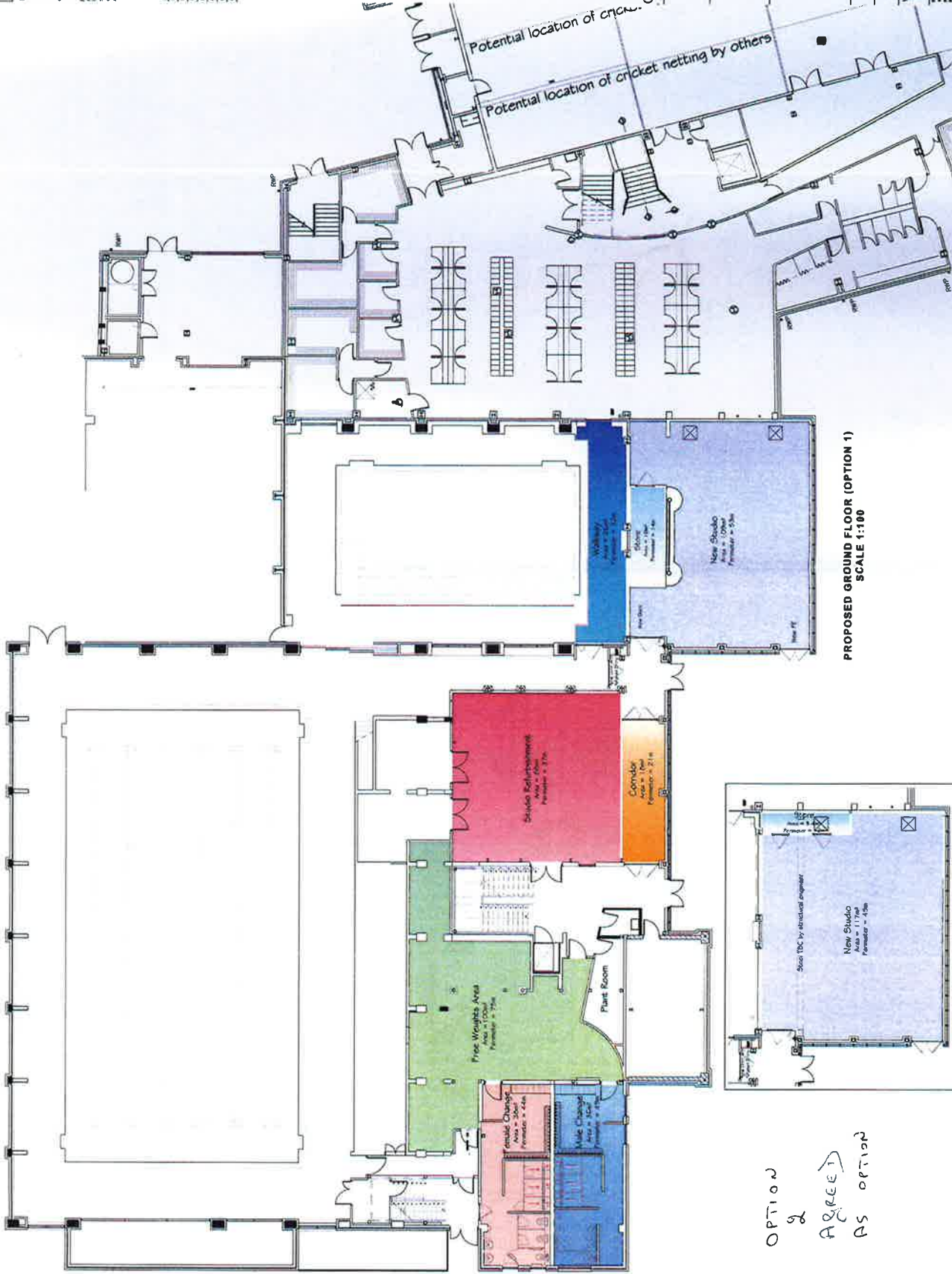
**Project:** Stomach's Leisure Centre  
Boscombe Lane,  
Boscombe,  
Bournemouth, Dorset,  
PO1 1UR

**Proposed Alterations:** Cf Option A  
**Job No:** 16-022  
**Drawing No:** P-0001  
**Scale:** As Shown

**Rev:** 07  
**Drawn:** JH  
**Checked:** JH  
**Date:** 20/01/16

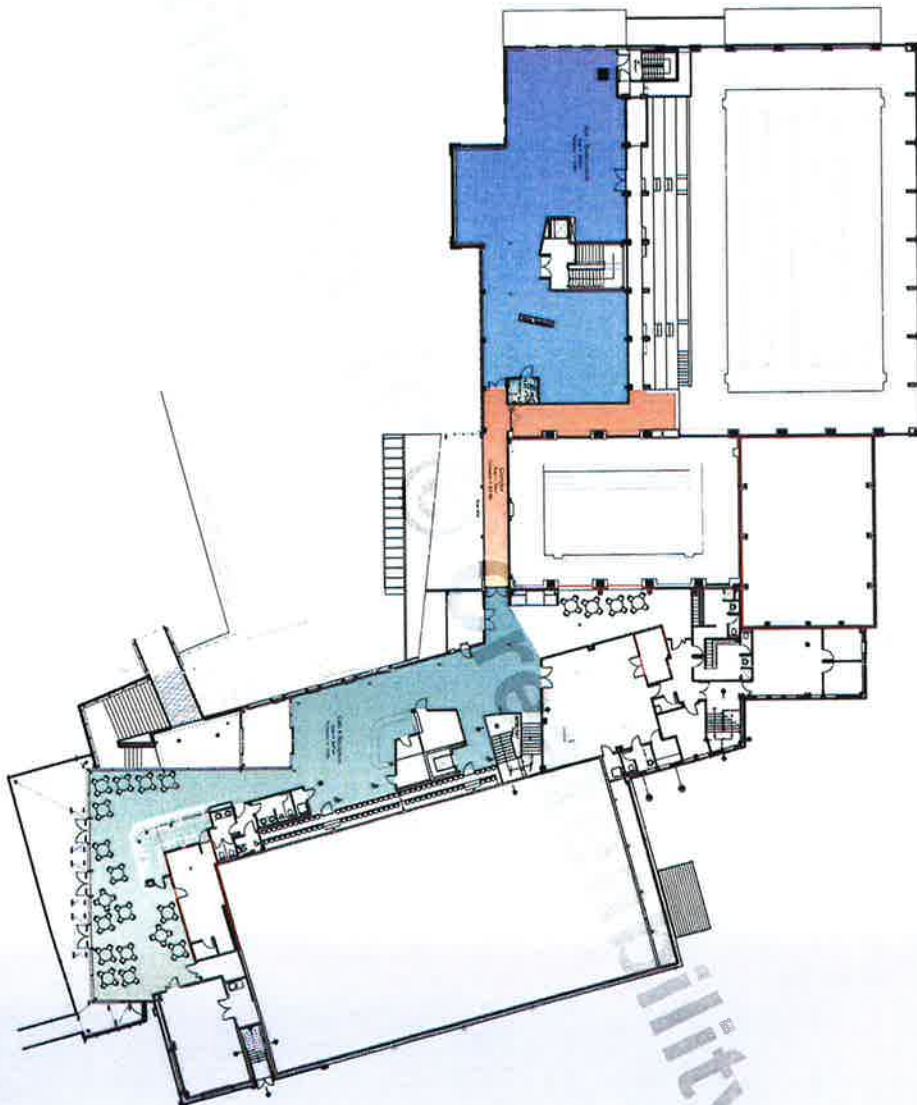
**www.createability.co.uk**  
First Floor Plan  
Drawing No: P-0001  
Drawing Title: Stomach's Leisure Centre

**DESIGN ISSUE**



OPTION 2  
AGREED  
AS OPTION





PROPOSED FIRST FLOOR  
SCALE 1:200

CONSERVATION & STRUCTURAL ALTERATIONS  
ARE SUBJECT TO A DETAILED SURVEY

1. GENERAL

- 1.1 Do not make drawings
- 1.2 All dimensions are in millimetres and all heights are in metres above ground level, unless noted otherwise.
- 1.3 The provision of this information does not constitute either a warranty or a guarantee of any kind, nor does it constitute an endorsement or a recommendation of any product or service. It is the responsibility of the client to ensure that the information is used for the purpose intended and that it is not used for any other purpose. The information is provided for the client's reference only and should not be used as a basis for any decision-making.

Rev	Description	Date	Drawn	Checked
01	Initial Issue	01/04/16	JK	JK
02	Revised and L&P approved	01/04/16	JK	JK
03	Revised and L&P approved	01/04/16	JK	JK



CREATEABILITY

CLIENT

**sencio**

**Project:** Sencio Leisure Centre  
**Location:** Bishops, Lanc.  
**Site:** Bishops, Lanc.  
**Use:** Leisure

**Proposed Alterations:** FF

**Job No:** 16-022

**Drawing No:** P-0002

**Rev:** 03

**Scale:** 1:200

**Author:** JBM

**Checker:** JBM

**Date:** 24.06.16

**Design Issue**

## HOUSING NEEDS STUDY

### Housing and Health Advisory Committee - 28 February 2017

Report of Chief Planning Officer

Status For Information

Key Decision No

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**This report supports the Key Aim of** developing housing strategy and wider objectives as set out in the Community Plan.

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer** Gavin Missons, Ext. 7332

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**Recommendation to the Housing and Health Advisory Committee:** That Members note the report and related housing needs evidence as set out in the consultant's presentation.

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**Reason for recommendation:** To provide Members with a better understanding of the District's housing needs and as part of the development of a new housing strategy.

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### Introduction and Background

- 1 Back in 2016, the District Council agreed to review its existing housing strategy with a view to developing an updated version and one which would better integrate housing and health services.
- 2 In order to do so, and to build on evidence contained in the District Council's Strategic Housing Market Assessment 2015 (SHMA), it was agreed to commission a more detailed housing needs study.
- 3 Fieldwork is now complete and the key findings/recommendations will be set out in the study consultant's presentation. This presentation is not being circulated beforehand, but will be provided to Members following the meeting. The full and final housing needs study report is due to be provided to the District Council in March and, again, this will be circulated to Members when received.
- 4 As well as informing a new housing strategy, the housing needs study will also be a key evidence base for the District Council's emerging Local Plan.

## Agenda Item 7

### Next steps

- 5 The District Council will continue to develop its new housing strategy and this will be brought back to the Housing and Health Advisory Committee on 20 June 2017 to be recommended for approval as District Council policy.
- 6 The new housing strategy will also be taken to the Planning Advisory Committee on 22 June 2017 in order that any planning-related elements can be considered as part of the emerging Local Plan.
- 7 Assuming full and final approval at Full Council on 18 July 2017, this will then be launched at a housing forum in around October with a specific date yet to be set.

### Key Implications

#### Financial

The housing needs study was fully-funded from Section106 affordable housing developer contributions. This is in line with approved spending criteria, as set out in the District Council's Affordable Housing SPD.

#### Legal Implications and Risk Assessment Statement.

None to consider.

#### Equality Assessment

The housing needs study covers a wide-range of client groups in order to ensure that housing strategy is developed taking into account all residents in the District.

<b>Appendices</b>	None
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<b>Background Papers</b>	None
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**Richard Morris**

**Chief Planning Officer**

## STATEMENT OF PRINCIPLES FOR DETERMINING THE AMOUNT OF A PENALTY CHARGE

Housing & Health Advisory Committee - 28 February 2017

Report of Chief Officer Environmental & Operational Services

Status: For Decision

Also considered by: Cabinet - 9 March 2017

Key Decision: No

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**The Executive Summary:** A decision to adopt the proposed statement of principles associated with enforcing The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 (SI 2015/1693)

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**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer** James Cox , Ext. 7312

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**Recommendation to Housing & Health Advisory Committee:** To recommend to Cabinet the statement of principles and associated penalties charges associated with the regulations, be approved.

**Recommendation to Cabinet:** To approve the statement of principles and associated penalties charges associated with the regulations.

---

**Reason for recommendation:** Without a published policy no penalty charges can be required of landlords who are in breach of their duty.

---

### Introduction and Background

- 1 Private sector landlords were required from 1<sup>st</sup> October 2015 to have at least one smoke alarm installed on every storey of their property and a carbon monoxide alarm in any room containing a solid fuel burning appliance. In addition they must ensure all alarms are in proper working order at the start of each new tenancy.
- 2 When the Council have reasonable grounds to believe one or more the specific requirements have not been undertaken then a remedial notice must be served. A remedial notice requires a landlord to undertake specific works (ie provide or repair an alarm) within 28 days. At this stage the penalty charge regime is also explained including the principals behind any future penalty charge appropriate for this offence.

## Agenda Item 8

- 3 The landlord should undertake the specified remedial works, however if this does not occur the Council has two enforcement options.

Firstly, if the occupier of the premises gives consent, the Council will arrange for an authorised person to take the necessary remedial action. We currently have a supply of approved detectors from Kent Fire and Rescue specifically for this purpose.

Secondly, after expiry of a remedial notice, the Council will decide based upon the balance of probabilities whether a breach of the notice has occurred. If it's decided a breach has occurred, then the landlord may be required to pay a penalty charge. If it's decided to impose a penalty charge a notice must be served upon the landlord explaining the reasons why such a notice has been issued and stating the penalty charge they are required to pay.

Recovery of an outstanding penalty charge is possible and obtained via an order from a court.

4. At specific points within the process a landlord has a right to make representations or after the service of penalty charge notice appeal to the First-tier tribunal. The tribunal may either quash, confirm or vary any penalty charge notice.
5. Before the Council can issue a penalty charge notice, a statement of principles including the range of financial penalties to be levied must be agreed and published.

### **Other Options Considered and/or Rejected**

There are no other options available to ensure a penalty charge notice can be issued.

If the statement of principles is not adopted an authorised person can still undertake the remedial works, however no penalty charge can be subsequently demanded from the landlord.

### **Key Implications**

#### Financial

There are no significant financial implications in terms of additional administrative or staff costs. It is expected there will be a very limited number of penalty notices issued.

#### Legal Implications and Risk Assessment Statement.

Publishing the statement of principles is required before the penalty charges are enforceable. Processes associated with issuing of a penalty charge, payment and appeals are clearly described within the regulations.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**Conclusions**

It is recommended the statement of principles be adopted to ensure a full complement of actions and financial penalties are available, ensuring the safety of occupiers.

**Appendices**

Appendix A- Proposed statement of principles for determining the amount of a penalty charge

**Background Papers**

**Richard Wilson**

**Chief Officer Environmental & Operational Services**

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## **Statement of principles for determining the amount of a penalty charge**

### **The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 (SI 2015/1693)**

#### **Introduction**

This statement sets out the principles that Sevenoaks District Council (the Council) will apply in exercising its powers to require a relevant landlord to pay a penalty charge.

#### **Purpose of the Statement of Principles**

The Council are required under Regulation 13 to prepare and publish a statement of principles and must have regard to this statement on every occasion when deciding on the amount of any penalty charge.

The Council may revise its statement of principles at any time, and where it does so, it must publish a revised statement.

When deciding the amount for the penalty charge, the Council will have regard to the statement of principles published at the time when the breach in question occurred.

#### **The legal framework**

All powers come from the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 (the Regulations), that came into force on 1 October 2015.

The Regulations place a duty on landlords, the definition of which include freeholders or leaseholders who have created a tenancy, lease, licence, sub-lease or sub-licence to ensure that:

- a smoke alarm is installed on each storey of premises where there is living accommodation (definition includes bathroom and lavatory); and
- a carbon monoxide alarm is installed in any room of the premises used wholly or partly as living accommodation, which contains a solid fuel burning appliance.

AND for tenancies starting from 1 October 2015

- checks are made by the landlord, or someone acting on his behalf, that the alarm (s) is/are in proper working order on the day the tenancy starts.

Where the Council has reasonable grounds to believe a landlord is in breach of one or more of the above duties, the Council must serve a remedial notice on the landlord. The remedial notice is a notice served under Regulation 5.

If the landlord, then fails to take the remedial action specified in the notice within 28 days, the Council can require a landlord to pay a penalty charge. The power to charge a penalty arises from Regulation 8.

A landlord will not be considered to be in breach of their duty to comply with the remedial notice, if they can demonstrate they have taken all reasonable steps to comply. This can be done by making written representations to the Council at the address given at the bottom of this document within 28 days of when the remedial notice is served.

The Council will impose a penalty charge where it is satisfied, on the balance of probabilities, that the landlord has not complied with the action specified in the remedial notice within the required timescale.

### **The purpose of imposing a financial penalty**

The purpose of the Council exercising its regulatory powers is to protect the interests of the public.

The aims of financial penalties on landlords are to:

- Lower the risk to tenant's health and safety;
- Reimburse the costs incurred by the Council in arranging remedial action in default of the landlord;
- Change the behaviour of the landlord and aim to prevent future non-compliance;
- Penalise the landlord for not installing alarms after being required to so, under notice;
- Eliminate financial gain or benefit from non-compliance with the regulations; and
- Be proportionate to potential harm outcomes, the nature of the breach, and the cost benefit to comply with these legal requirements.

### **Criteria for the imposition of a financial penalty**

A failure to comply with the requirements of a remedial notice allows the Council to require payment of a penalty charge.

In considering the imposition of a penalty, the Council will look at the evidence concerning the breach of the requirement of the notice. This will be obtained from a property inspection, or from information provided by the tenant or agent that no remedial action had been undertaken.

For example, it would be considered appropriate if landlords could demonstrate compliance with the Regulations by supplying dated photographs of alarms, together with installation records or confirmation by the tenant that a system is in proper working order.

Landlords need to take steps to demonstrate that they have met the requirement for testing all detection at the start of the tenancy. Examples of how this can be achieved are by tenants signing an inventory form and that they were tested and were in working order at the start of the tenancy. Tenancy agreements can specify the frequency that a tenant should test the alarm to ensure it is in proper working order.

In deciding whether it would be appropriate to impose a penalty, the authority will take full account of the particular facts and circumstances of the breach under consideration.

A financial penalty charge will be considered appropriate if the Council is satisfied, on the balance of probabilities, that the landlord who had been served with remedial notice under Regulation 5 had failed to take the remedial action specified in the notice within the time period specified.

### **Criteria for determining the amount of a financial penalty**

The Regulations state the amount of the penalty charge must not exceed £5,000.

The penalty charge comprises two component parts, a punitive element for failure to comply with the absolute requirement to comply with a remedial notice and a cost element relating to the investigative costs, officer time, administration and any remedial works arranged and carried out by the Council's contractors.

The penalty charge is payable within 29 days beginning with the day on which the penalty charge notice is served.

The Council has discretion to offer an early payment reduction if a landlord pays the penalty charge within 14 days beginning with the day the penalty charge notice is served.

The charges are as follows:

- £2,500 for the first breach to comply with a remedial notice
- £1,250 for early payment, representing 50% reduction, for the first breach to comply with a remedial notice
- £5,000 for a second subsequent breach to comply with a remedial notice
- £3,750 for early payment, representing 25% reduction, for second breach to comply with a remedial notice
- £5,000 for a third breach to comply with a remedial notice with no early repayment reduction.

### **Procedural matters for Penalty Charge Notices**

The Regulations impose a number of procedural steps which must be taken before the Council can impose a requirement on a landlord to pay a penalty charge

When the Council is satisfied that the landlord has failed to comply with the requirements of the remedial notice, all penalty charge notices will be served within six weeks beginning with the day on which the authority is first satisfied a breach has occurred.

Where a review is requested within 29 days from when the penalty charge notice is served, the council will consider any representations made by the landlord. All representations are to be sent to the address at the bottom of this document. The Council will notify the landlord of its decision by notice, which will either be to confirm, vary or withdraw the penalty charge notice.

A landlord who has requested a review of a penalty charge notice and has been served with a notice confirming or varying the penalty charge notice, may appeal to the First-tier Tribunal against the Council's decision. Appeals should be made within 28 days from the notice served of the Council's decision on review.

If the penalty charge notice is not paid, then recovery of the penalty charge will be via an order of the court and proceedings for recovery will commence after 30 days from the date when the penalty charge notice is served.

However, in cases where a landlord has requested a review of the penalty charge notice, recovery will not commence until after 29 days from the date of the notice served giving the Council's decision to vary or confirm the penalty charge notice. Where landlords do make an appeal to the First-tier Tribunal,

recovery will commence after 29 days from when the appeal is finally determined or withdrawn.

### **Remedial Action taken in default of the landlord**

Where the Council is satisfied, on the balance of probabilities, that a landlord has not complied with a specification described in the remedial notice in the required timescale and consent is given by the occupier, the Council will arrange for remedial works to be undertaken in default of the landlord. This work in default will be undertaken within 28 days of the Council being satisfied of the breach. In these circumstances, battery operated alarms will be installed as a quick and immediate response.

### **Houses in Multiple Occupation and other high risk premises**

Smoke Alarms – In order to comply with these Regulations, smoke alarms will be installed at every storey of residential accommodation. This may provide only a temporary solution as the property may be high risk because of:

- its mode of occupancy such as a house in multiple occupation or building converted into one or more flats,
- having an unsafe internal layout where fire escape routes pass through a living rooms or kitchens, or
- is 3 or more storeys high.

In such premises a full assessment will subsequently be undertaken by the Council. This assessment will consider in greater detail the adequacy of the existing type and coverage of the smoke alarm system, structural fire separation and fire escape routes. Any further works required to address serious fire safety hazards in residential property, that are not undertaken though informal agreement, will be enforced using the Housing Act 2004, in accordance with the Council's Enforcement Policy.

Carbon Monoxide Alarms – In order to comply with these Regulations, a carbon monoxide alarm will be installed in every room containing a solid fuel combusting appliance.

**All communications** for representations made against the Remedial Notice (Regulation 5) or the Penalty Charge Notice (Regulation 8) are to be sent to:

Alex Dawson  
Property Services Manager  
Council Offices  
Sevenoaks District Council  
Argyle Road  
Sevenoaks  
TN13 1HG

Or by email to: [psh@sevenoaks.gov.uk](mailto:psh@sevenoaks.gov.uk)

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**Housing and Health Advisory Committee Work Plan 2016/17 (as at 11.01.17)**

<b>28 February 2017</b>	<b>20 June 2017</b>	<b>10 October 2017</b>	<b>28 November 2017</b>
<p>Sencio - improvements to Sevenoaks Leisure Centre (application for a loan) SENCIO attending?)</p> <p>8.00pm - Housing needs survey (final report) External Consultants attending (INVITE ALL MEMBERS)</p> <p>Statement of principles smoke &amp; carbon monoxide regulations</p> <p>Health Liaison Board update</p>	<p>Health Liaison Board update</p> <p>Housing Allocation Policy</p> <p>PSH stock condition survey</p> <p>West Kent Housing and Homelessness Strategy</p> <p>Housing Strategy</p>	<p>Budget: Service Reviews and Service Change Impact Assessments (SCIAS)</p>	<p>Health Liaison Board update</p>

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