

Item 8 - Sevenoaks Leisure Centre - Application for a loan by Sencio Community Leisure

The relevant Minute extract from Housing & Health Advisory Committee is below

Housing & Health Advisory Committee - 28 February 2017 (Minute 43)

The Chief Officer Communities and Business introduced the report and the Chief Finance Officer summarised the financial considerations. Members considered the report which outlined Sencio's proposals for works to Sevenoaks Leisure Centre to improve the Centre and take advantage of unmet latent demand in the town. Members were asked to recommend that Cabinet agree a 10 year loan of £600,000 for Sencio at an interest rate of 6% per annum.

The Committee received two presentations, one from Sencio and one from Createability, and Members had the opportunity to ask questions, particularly on the potential disruption to customers and predicted achievement of membership targets.

It was noted that the proposed terms would keep the Council protected, and the loan would see improvements for Sencio's business and Sevenoaks residents.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended 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 below

'That 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;
- 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.'