

CHESHIRE EAST COUNCIL

Cabinet Member for Health and Wellbeing

Date of Meeting:	14 th June 2010
Report of:	Appoint of Consultant to undertake strategic review of Crewe Lyceum theatre and Knutsford Cinema.
Subject/Title:	Crewe Lyceum Theatre and Knutsford Cinema – Contract for Strategic Review and Soft Market Testing

1.0 Report Summary

- 1.1 The report relates to the strategic review and soft market testing of the Crewe Lyceum Theatre and Knutsford Cinema.
- 1.2 In order to take the project forward, and due to a lack of internal capacity, it is considered necessary to engage consultants to evaluate all suitable management options. They will examine each of the facilities in turn and soft market test a variety of options in order to measure levels of interest.

2.0 Recommendation

2.1 That

(1) the contract to conduct a strategic review and soft market testing of the Crewe Lyceum Theatre and Knutsford Cinema be awarded to PMP Genesis for the sum of £10,506; and

(2) a total sum of up to £15,000 be allocated to this work, the difference between this amount and the quotation to act as a contingency.

3.0 Reasons for Recommendations

- 3.1 PMP Genesis is a specialist leisure adviser. They have submitted the lowest tender price, and have demonstrated considerable added value.

4.0 Wards Affected

- 4.1 Crewe East
Knutsford

5.0 Local Ward Members

- 5.1 Councillors Steve Conquest, Margaret Martin and Chris Thorley
Councillors Olivia Hunter, Tony Ranfield and Steve Wilkinson

**6.0 Policy Implications including - Climate change
- Health**

6.1 N/A

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

7.1 N/A

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

8.1 The Medium Term Financial Strategy (MTFS) for the Health and Wellbeing Service contains the relevant budgetary savings in 2010/11 and beyond.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1 There is a need to enter into contract with PMP Genesis to carry out the works/services described above.

10.0 Risk Management

10.1 If the project does not proceed, the required saving already identified within the allocated time period will not be achievable.

11.0 Background and Options

11.1 The project relates to the strategic review and soft market testing of the Crewe Lyceum theatre and Knutsford Cinema.

In order to take the project forward and due to a lack of internal capacity, it is considered necessary to engage consultants to evaluate all suitable management options. They will examine each of the facilities in turn and soft market test a variety of options in order to measure levels of interest.

The suitable management options will include:

- A New Leisure Trust or Limited Company
- Transferral to an existing Leisure Trust or Limited Company
- A Management Buy-Out
- Community Interest Company
- Transferral to the Private sector
- Retaining the Service In House

The consultants will be closely monitored by the Project Team, and in particular by the Service Development Manager.

In accordance with Finance and Contract Procedure Rules, four companies were invited to quote and three quotations were received, the lowest of these being that of PMP Genesis in the sum of £10,506.

The cost of the work can be met from an existing capital budget.

12.0 Overview of Year One and Term One Issues

12.1 N/A

13.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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