

## OFFICER DECISION RECORD (ODR2)

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### *Strategic Leisure Investment*

<b>Date of Decision</b>	<b>04/08/2025</b>
<b>Decision Taker (including Job Title)</b>	<b>Chris Allman, Director of Planning and Environment</b>
<b>Specific Delegation</b>	<p>This is an Officer decision taken under a delegation by the Environment and Communities Committee who on the 11<sup>th</sup> March 2024 Under Item 5 MTFS 90 Strategic Leisure Review – Final proposal.</p> <p>The Decision Delegate authority to the Interim Director Environment and Neighbourhoods to take all necessary steps to implement the proposals including but not limited to;</p> <ul style="list-style-type: none"><li>a. Make the necessary changes to the operating agreement with Everybody Health and Leisure to secure additional income or cost reductions to the Council subsidies paid;</li><li>b. Enter into a modification of the existing leisure operating agreement, subject to the constraints set out in the associated Part 2 report;</li><li>c. Take forward to completion asset disposals at the Holmes Chapel and Middlewich joint use sites, to allow alternative local delivery models to establish;</li><li>d. Implement pricing increases to the joint / access facilities access agreements for joint use school sites and;</li><li>e. Enter into “top up” funding agreements with Town and Parish Councils relating to the safeguarding of leisure provision for their local area.</li></ul> <p>New Director, Chris Allman is now in post with the job title of Director or Planning and Environment who has the associated delegated powers.</p>
<b>Brief Description of Decision</b>	<i>To invest £490,000 from the MTFS to Everybody Health and Leisure to fund 2 padel courts at Wilmslow Leisure Centre and 4 padel courts at the</i>

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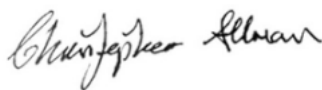
	<i>Barony Sports Complex to support the Strategic Leisure Review Requirements to Deliver Management Fee Reductions in 2025-26 of £50,000 per annum.</i>
<b>Reasons for the Decision and alternatives considered</b>	<p><i>The Strategic Leisure Review - Final Proposals agreed at the 11 March 2024 committee contained a program of Capital investment to deliver revenue savings though reductions in the Councils Management fee.</i></p> <p><i>As part of this investment strategy contained within Appendix C of the report proposals were provided for:</i></p> <ul style="list-style-type: none"> <li><i>- Wilmslow LC – Development of indoor/outdoor provision £250k</i></li> <li><i>- Nantwich LC -extension to gym / convert old changing area to additional usable space £1.2m</i></li> </ul> <p><i>Since then, proposals have been developed for Wilmslow and The Barony. In addition, Everybody Health Leisure (EHL) have undertaken a significant amount of market research and used their experience from the Alderley Park (not part of operating agreement) padel courts to understand financials and performance.</i></p> <p><i>This proposal therefore aligns with the Committee decision and strategic leisure review MTFS requirements drawing down £490,000 capital from the £1million Strategic Leisure Review allocation for 2025-26 to contribute to MTFS required reductions for 2025-26 against leisure services. The proposals cover the cost of capital borrowing with additional contribution to the Council as part of these proposals.</i></p> <p><i>EHL will be managing the supply chain, with prior agreement on contract practice between EHL and CEC Assets team. Any financial risk arising from costs exceeding the allocated £490,000 will be borne solely by EHL.</i></p> <p><i>Maintenance of new infrastructure created by this capital investment will be the responsibility of Everybody Health and Leisure. At the end of the contract in 2029 the asset returns to the contractor. The typical lifespan of a padel court surface is <b>between 5 to 10 years</b>, depending on usage and maintenance.</i></p>

	<p><i>As part of Everybody Health and Leisure’s business planning, the investment will form part of their overall investment strategy outlined in their performance and Impact Report 2024/25.</i></p> <p><i>Initial investment will be used for the Introduction of Padel Courts to support the health and sporting offer to Cheshire East residents.</i></p> <p><i>Padel is more commercially beneficial than Pickleball and is faster growing. Padel courts are rapidly gaining popularity due to their accessibility and inclusive nature, resulting in growing public demand across the Borough. Currently, both The Barony Sports Complex and Wilmslow Leisure Centre have older courts that are no longer in use due to their condition. These facilities are now seeking to redevelop these spaces into padel courts for public use.</i></p> <p><i>Both sites are on Cheshire East Councils property which is operated by Everybody Health and Leisure and so will support to increase revenue to the organisation and so no other alternatives have been considered. Such investments are essential to retain and grow membership.</i></p> <p><i>EHL have now entered into a contract with Padel Ventures to install the padel courts.</i></p>
<b>Member consultation and interests declared</b>	<p><i>£3.55m capital investment programme was approved for Nantwich and Wilmslow (indoor and outdoor facilities) during March 2024 Environment and Communities committee. Further informal briefing was shared with the committee in October 2024 for formal sign off.</i></p> <p><i>Stakeholder consultation took place in September 2024 with relevant CEC ward and town Councillors.</i></p>
<b>Significant Decision</b>	<b>NO</b>
<b>Legal Implications</b>	<p>I approve and endorse this ODR on the following basis:</p> <ul style="list-style-type: none"> <li>• It complies with the Council’s constitution;</li> <li>• Is entered into further to the appropriate delegation noted above; it being noted that whereas the delegation was to “the Interim</li> </ul>

	<p>Director Environment and Neighbourhoods”, the title attaching to that post has now changed as is now “Director of Planning and Environment</p> <ul style="list-style-type: none"> <li>• award of any contract to carry out the works for the padel courts should be vetted to ensure compliance with any applicable procurement regulations. There is a reference: “<i>EHL will be managing the supply chain, with prior agreement on contract practice between EHL and CEC Assets team</i>” but the Council’s procurement team may be best placed to advise as to procurement route.</li> <li>• if the contract works are to be done on Council owned land, oversight of the contract process is important as the Council would be best advised to ensure that collateral warranties are obtained from the supplier carrying out the works.</li> </ul> <p>Adrian Leslie - Lawyer Contracts &amp; Procurement Team</p> <p><a href="mailto:adrian.Leslie@cheshireeast.gov.uk">adrian.Leslie@cheshireeast.gov.uk</a></p> <p>31 July 2025</p>
<b>Financial Implications</b>	<p><i>From follow up discussions the following points have been confirmed:</i></p> <ul style="list-style-type: none"> <li>- <i>It is Everybody health and leisure’s responsibility to ensure this is a sound business proposal against any alternatives including the review of the proposed costs.</i></li> <li>- <i>CEC as commissioner is releasing strategic capital funds allocated against management fee reductions under the leisure review to meet objectives of that review.</i></li> <li>- <i>EHL are responsible for delivery of the schemes and any cost overrun.</i></li> </ul> <p><i>From a Finance perspective the Strategic Leisure Review capital budget for 2025/26 is sufficient to meet this cost and this will result in reductions in the annual management fee from 2026/27.</i></p>

	<p><i>There are no budget plans to use that saving to repay any prudential borrowing costs at this stage.</i></p> <p><i>The EHL contract is up for renewal in 2029 so it is not clear on the arrangements for the courts, their state of repair or status of the concept of the investment being repaid at that point if EHL is not successful in retaining the contract.</i></p> <p><i>The item has not been considered by the CEC capital programme board.</i></p> <p><i>Steve Reading, Finance, 30/7/2025</i></p>
<b>Confidential/Exempt Information</b>	No
<b>Background Papers</b>	<p><i>Committee paper can be found here : <a href="#"><u>Agenda for Environment and Communities Committee on Monday, 11th March, 2024, 10.00 am   Cheshire East Council</u></a></i></p>

Signed .....



Dated .....4/8/2025

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