

ECONOMIC DEVELOPMENT & CULTURE COMMITTEE

Agenda Item
25

Brighton & Hove City
Council

Subject	Saltdean Lido Update		
Date of Meeting	20th September 2012		
Report of	Strategic Director - Place		
Contact Officer	Name:	Ian Shurrock	Tel: 29-2084
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Key Decision	No	Forward Plan No. (7 Digit Ref):	
Wards Affected	Rottingdean Coastal		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT

- 1.1 The long-term 125 year lease of the Saltdean Lido site was surrendered by Saltdean Lido Limited (head lessee) on 6th June 2012 following a period of negotiation with the council. As a consequence the maintenance responsibilities previously vested in Saltdean Lido Limited passed to the council. In addition, the Saltdean Community Association (who are holding over its lease) are now sub-tenants of the council and they have an ongoing liability for a 55% contribution to repairs and maintenance. The council also has a library based within the Lido complex, whilst the public house is also a sub-lessee and pays a ground rent to the council. A tenancy at will has been granted to White Rooms Beauty Therapy Rooms located in the Lido complex.
- 1.2 Upon the surrender of the head lease an immediate assessment of the condition of the pools and gym was undertaken and it soon became apparent that these facilities could not re-open straight away. Further investigation made it clear that the pools and gym could not open for the summer season. Indeed the extent of the work required means that it is currently not possible to have a definitive time-scale for these facilities to re-open.
- 1.3 There is currently potential funding held by the local planning authority of nearly £335,000 arising from contributions made under Section 106 of the Town and Country Planning Act 1990 in relation to the Ocean Hotel scheme in Saltdean. This Section 106 fund is available for use within the Saltdean area as a contribution towards community uses and/or open space and has to be spent by January 2017. It is not possible to use Section 106 funding for the health and safety issues listed later in the report, but the funding could be used at the Lido at the council's discretion to bring back into use an improved community facility.

- 1.4 There are several possible long-term options for the operation of the Lido complex, including running it in-house, appointing a commercial / not for profit trust operator or granting another commercially orientated long-term lease. The council could also take the opportunity to explore with local community organisations the prospect of whether or not a community asset transfer (under which a local community organisation would become operators and lessees of the complex) would be viable, Soft market testing (informal structured interviews with potential operators) is being undertaken to inform an options appraisal to be brought to Members for consideration at a future meeting. An important issue is the extent of the risk of future operation and maintenance of the Lido complex that could be transferred to an external organisation.

2. RECOMMENDATIONS

- (1) That the Committee note the action taken in relation to the assessment of works required in the gym and pools part of the Lido complex at an estimated cost of £130k, funding to be reported to the Policy and Resources Committee.
- (2) That the Committee supports the potential allocation to Saltdean Lido of Section 106 funding available for use within the Saltdean area, subject to meeting all relevant criteria.
- (3) That the Committee notes the soft market testing that is being undertaken to inform options for the long-term operation of the Lido complex to bring to Members for consideration at a future committee meeting.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS

- 3.1 The background information in relation to Saltdean Lido has been covered in detail in previous reports and therefore this information is not repeated in this report. The previous reports include those to the Culture, Recreation and Tourism Cabinet Member Meetings of 6th December 2011 and 6th March 2012, as well as the reports to the Special Policy & Resources Committee on 30th May 2012 which authorised the surrender transaction.
- 3.2 As soon as the surrender of the lease had been completed, an assessment was undertaken of the condition of the gym and pools to see if they could be opened on a temporary basis – certainly it was the desire of the council to do so if at all possible at least over the school holidays. However, on detailed examination by a number of experts the condition of the facility has proven to be far poorer than anticipated making it impossible to open over the summer season. Moreover, at present there can be no certainty that the pools will be open for the next summer season as this will depend upon the findings and resourcing of the exploratory works identified.

- 3.3 The works to meet basic health and safety requirements for the pools and gym area which are required urgently are indicated below with estimated costs in brackets which total £130k. Such works will not bring these areas up to an operational standard on its own, but should be considered a first phase of works required. The works have been identified following numerous site visits by officers (over 65 visits by a combination of the officers involved since the surrender of the facility back to the council in June) in conjunction with specialist contractors.

Site Security Costs & Insurance Recommendations (£36,000)

- Boundary fence
- Security improvements
- Door replacement
- Additional safety signage
- New pool fencing
- Car park repairs
- Drain cover replacement

Pool Tank & Pool Plant Room Investigation (£4,000)

- Pump out pool tank to enable CCTV investigation of the condition and operating capability of the pool plant room

Fire Risk Assessment and Electrical Recommendations (£45,000)

- Fire alarm system replacement
- Emergency lighting repairs
- Fixed wire electrical remedials
- Signage and fire door replacement

Asbestos (£21,000)

- Asbestos removal

Water Supply & Heating System (£24,000)

- Improvements to water supply system
- Improvements to heating system

- 3.4 Due to the poor condition of the pool plant (including water circulation/pumps/filters/chemical dosing) and pool tank, such investment would be required in phases, each phase being, to a certain extent, exploratory and determining the amount of work required in the next phase. Such costs for the next phase of works to bring the gym and pools to a standard where they could be opened are likely to be in the tens of thousands of pounds.

- 3.5 These costs do not include the significant investment that is also required in the fabric of the Lido complex building. A Scott Schedule in July 2011 estimated the amount of repairs needed to the structure of the building to be in the region of £260,000. This Schedule is not a specialist survey of each aspect of the condition of the building, but was prepared to assist negotiations with the previous head lessee regarding repairs which were considered outstanding. Now that the responsibility for the Lido building has returned to the council, it is recommended that a specialist concrete survey is undertaken to fully assess the condition of this specific element of the building.

4. CONSULTATION

- 4.1 Soft market testing is taking place with potential operators to source their views on the range of issues that form the complex difficult situation with regards to the Lido. For example, views will be sought on the length and structure of any management agreement, timing and potential sources of investment and maintenance of a Grade 2* listed building.
- 4.2 Update meetings have been held with the local ward members, community groups and the Saltdean Community Association (who are now a tenant of the council). Relationships have been strained between the various community groups to the extent that mediation has been undertaken. In order for the Lido to move forward it will be important that the relations between all parties involved with the Lido is positive. Officers in Planning have also been consulted on the Section 106 funding and the planning consent for the White Rooms Beauty Therapy Rooms.

5. FINANCIAL & OTHER IMPLICATIONS:

5.1 Financial Implications

The estimated cost of the essential health and safety works and assessment of further works required as detailed in paragraph 3.3 is £130k of which approximately £100k is revenue expenditure and £30k is capital expenditure. The decision to carry out these works was taken under Urgency Powers and it is intended that they be funded from the General Fund risk provision. Details will be included in the Targeted Budget Management Report to Policy and Resources Committee in October 2012 for approval.

The financial implications of the potential options for Saltdean Lido will be included in a future report to Committee including any potential use of Section 106 contributions.

Finance Officer Consulted: Michelle Herrington Date: 21st Aug 2012

5.2 Legal Implications

- 5.2.1 The council is prioritising health and safety issues at the Lido complex and will only be able to open the closed pool facilities when the premises are deemed to be safe for such use.
- 5.2.2 The Saltdean Community Association continues to hold over the underlease it has on the community centre and, pending the outcome of the soft market testing, the council is not minded to grant a new lease unless a break clause is included.
- 5.2.3 The White Rooms occupancy has been regularised by way of a tenancy at will and planning permission for the retention of the business is being sought.
- 5.2.4 The Section 106 funding is controlled by the local planning authority. Consultation will be undertaken with the Rottingdean Coastal ward members in respect of utilisation of the funding.

Lawyer Consulted: Bob Bruce

Date: 20.08.12

5.3 Equalities Implications

The council seeks to provide a range of opportunities for residents to participate in sport and community activities across the city and the Lido complex is recognised as an important part of community service provision.

5.4 Sustainability Implications

The results of a specialist concrete survey will have specific sustainability implications and the efficient operation and effective maintenance of the facility has general implications for the long term sustainability of the Lido complex.

5.5 Crime & Disorder Implications

There are no direct crime and disorder implications arising from this report, but the future provision of sport and leisure opportunities can help to reduce anti-social behaviour.

5.6 Risk & Opportunity Management Implications

The proposed works are a first phase in managing the risk in relation to the condition of the building, while the ongoing work on the future options for the Lido is identifying the potential opportunities for a sustainable long-term future for the facility.

5.7 Corporate / Citywide Implications

Saltdean Lido is an important recreation and community resource for the city. The Lido building is also Grade 2* Listed and is therefore of architectural importance.

6. **EVALUATION OF ANY ALTERNATIVE OPTION(S)**

6.1 At this stage work is ongoing on the future options for the Lido.

7. **REASONS FOR REPORT RECOMMENDATIONS**

7.1 This report updates members regarding the current position and also seeks agreement regarding the use of s106 funding. Officers consider it appropriate to use that funding to assist with the ongoing community use of the Lido complex.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. Reports to Culture, Recreation and Tourism Cabinet Member Meetings of 6th December 2011 and 6th March 2012 and report to the Special Policy & Resources Committee on 30th May 2012.

