

Cabinet

28th August 2008



Business as Usual Consett Sports Project

**Report of Stuart Crowe, County Treasurer
[Cabinet Portfolio Member for Corporate
Resources, Councillor Michele Hodgson]**

Purpose of Report

- 1 The report seeks approval to appoint consultants to examine proposals by Derwentside District Council to design and build a sports facility.

Background

- 2 As part of the preparation for the move to Unitary Local Government in Durham, a protocol was established to deal with projects in certain circumstances providing an opportunity for the new Council to express a view.

The Application

- 3 Derwentside District Council has applied for approval to proceed with the development of a sports facility in Consett. The scheme is estimated to cost £15m. Further work is necessary on the proposal and it is expected that building work would begin in 2010 with the build contract being completed in the summer of 2011.
- 4 The scheme which involves the Council, the Leisure Trust, and Genesis –an organisation established by Derwentside, was at one time part of a larger proposal.

Comments

- 5 The sizeable scheme, with a value of around £15m, is complex. It is expected to be funded from a number sources, including housing sales through the course of the development. A number of parties including different elements of Genesis are also involved in the development.
- 6 Whilst there appears to be broad support for the concept of new facilities, a number of concerns have been expressed.
- 7 In the light of the project's apparent complexity and scale, it is suggested that InsightMSC * – the County Council's financial partner - be engaged to undertake a review and to prepare a report for Cabinet

to consider as soon as possible. Initial discussions with Insight have yet to be held to determine the cost of such a review. This will be reported to the Cabinet meeting.

Recommendations

- 8 It is recommended that the County Treasurer be authorised to engage Insight at a cost to be agreed in consultation with the Cabinet Portfolio Holder for Corporate Resources.
- * InsightMSC were created in 1991 and is a fast growing specialist consultancy with a clear and focused vision: to provide high quality independent advice and expert support on financial management and best practice. In May 2007 they were appointed as Consultancy Partners to the Council for Financial and Related Services following a tendering exercise which included all the major consultancy companies.

Contact: Stuart Crowe

Tel: 0191 383 3550

Appendix 1: Implications

Finance**Local Government Reorganisation****(Does the decision impact upon a future Unitary Council?)**

A proposed project from Derwentside could have significant implications for the Unitary Council.

Finance

The report suggests that consultants be engaged at a cost yet to be determined.

Staffing

N/A

Equality and Diversity

N/A

Accommodation

N/A

Crime and disorder

N/A

Sustainability

N/A

Human rights

N/A

Localities and Rurality

N/A

Young people

N/A

Consultation

N/A

Health

N/A