



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Finance and Economic Overview and Scrutiny Committee

Thursday, 7 May 2026

Report of Councillor Paul Stokes
Deputy Leader of the Council, Cabinet
Member for Leisure and Culture

Council Leisure Centres - Investment Plan Update

Report Author

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Purpose of Report

To provide an update on the Council's investment plans across the leisure centres and sports stadium.

Recommendations

The Committee is asked to note the contents of the report and the work undertaken to date in procuring the contract for Phase One of the Leisure Improvement Works.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Connecting Communities Sustainable South Kesteven Effective council
Which wards are impacted?	Bourne East; Grantham Earlesfield; Stamford St Georges;

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The procurement of a contractor to undertake the leisure improvement works – phase one has been undertaken in accordance with the Council's Contract Procedure Rules. The contract value is in accordance with the allocation of funds in the Leisure Investment Reserve to undertake the agreed scope of works. The underspend of £162,778 from phase one will be carried forward to phase two allowing for a greater scope of works to be included.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Procurement

- 1.2 A compliant procurement process has been followed by running an open tender process to identify a preferred contractor to undertake the leisure improvement work – phase one, across each of the leisure centres and sports stadium.
- 1.3 This process has been supported by Welland Procurement and conducted in accordance with best practice and the Procurement Act 2023 to ensure that the principles of transparency, equity and fairness have been adhered to.

Completed by: Helen Baldwin (Procurement Lead)

Legal and Governance

- 1.4 This is an update report for noting; therefore, there are no specific governance concerns.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1 The Council's Corporate Plan (2024-27) sets out the Council's ambition to be 'A thriving District to live in, work and visit' with the aim of delivering and facilitating a sustainable leisure and cultural offer, as well as managing its resources and assets effectively with open transparent and accountable decision making. Underpinning

this are the key priorities for the Council of 'Connecting Communities' and being an 'Effective Council'.

- 2.2 The Council's three leisure centres and sports stadium have the highest customer throughput each year across all its assets and as such it is recognised that to continue to provide a positive customer experience there is a need to undertake cosmetic works and decoration, instead of solely focusing on the maintenance backlog.
- 2.3 A Leisure Investment Reserve of £1m has been established to enable investment in the facilities by improving the decoration and replacing worn out fixtures and fittings. Phase one of the investment was agreed at £500k and a further £500k was allocated for phase two in financial year 2026/27.
- 2.4 Following a meeting of the Finance and Economic Overview and Scrutiny Committee held on 18 November 2025, (see **Background Papers**), it was agreed that the allocation of this funding should be targeted at refurbishing the changing room facilities across all the centres.
- 2.5 Officers have since been working with consultants to finalise the scope of works for phase one of the project, along with Welland Procurement to procure the works through an open tender process.
- 2.6 As part of the open tender process, site visits for potential contractors were mandatory should they wish to formally submit a bid. A total of three scheduled site visits were arranged due to the high level of interest shown in the project.
- 2.7 A total of 45 expressions of interest were received and from this 10 contractors attended the site visits. This subsequently resulted in a total of nine formal tender submissions being received.
- 2.8 Officers have evaluated all the bids received and the award of contract is due to be considered by Cabinet on 5 May 2026. The recommendation is to award a contract for £321,222 to the preferred contractor, Northdown Property Services (NPS) Limited, this is broken down per Centre as follows:
 - Bourne Leisure Centre - £80,829
 - Stamford Leisure Pool - £72,032
 - Grantham Meres Leisure Centre - £92,962
 - South Kesteven Sports Stadium - £75,399
- 2.9 NPS Limited were founded in 2015 and are a leading property refurbishment and maintenance company based in Peterborough, with experience of delivering similar projects previously.

- 2.10 Officers obtained pricing clarification from NPS Limited during the moderation evaluation process given that the value of the bid submitted came in below the anticipated £500k budget. Written confirmation was received from NPS Limited through Welland Procurement that their pricing had been checked, and they were satisfied that the submission provided was accurate.
- 2.11 The programme of works has come in under the anticipated £500k budget and therefore the underspend from phase one will be carried forward to phase two. There has already been a draw down from the reserve of £16,000 which allowed for the phase one preliminary works to be undertaken prior to tender. This will mean that there is a carry forward of £162,778 which will allow for a greater scope of works to be included in phase two.
- 2.12 The scope of works does vary slightly between each facility but in principle it will cover the following:
- Servicing and repair of changing cubicles
 - Replacement WC cubicles at the leisure centres only
 - Replacement shower cubicles at Grantham Meres
 - Ceiling tile and grid replacements
 - Lighting upgrades
 - Door replacements
 - Replacement vinyl floor where appropriate
 - Whiterock to walls in shower areas
 - Vanity unit replacements
 - Replacement taps, mirrors and dispenser units
 - Refurbishment and replacement of home and away changing room furniture at the Stadium
 - Decoration
 - Deep cleaning
- 2.13 It is anticipated that there will be some potential disruption to the operations across each of the three leisure centres and sports stadium to allow for these works to be undertaken in a timely manner. The impact of this will be finalised during the contract mobilisation phase and in consultation with the centre management provider, LeisureSK Limited.
- 2.14 Officers are now in the process of engaging with NPS Limited to agree the implementation plan which includes the phasing of works and preparation of the legal contract, subject to approval at a meeting of Cabinet on 5 May 2026 and there being no legal challenge received.
- 2.15 In relation to phase two, early engagement has already been made with the consultants to review the scope of phase 2 given the increase in available funding. Officers will meet with them at each of the four facilities to look at the scope of works and a proposal will then be produced based on the outcome of these visits

and discussions. A further report will be brought to a future meeting of the Finance and Economic Overview and Scrutiny Committee to agree on the scope of works for phase two.

- 2.16 Once the scope of works for phase two has been agreed a compliant procurement process will be followed with the support of Welland Procurement, procuring the works as a single package through an open tender process. This will open the opportunity up to local suppliers and avoid incurring framework commission fees, thus demonstrating value for money.

3. Key Considerations

- 3.1 A compliant tender exercise has been undertaken to identify a preferred contractor to carry out the leisure improvement works – phase one, across each of the leisure centres and sports stadium. The proposed contract is for a period of up to six months with the option to extend for a further six months if required.

4. Other Options Considered

- 4.1 The Council could choose not to undertake the phase one improvement works; however, this has been discounted as the Leisure Investment Reserve has been established with the primary objective of improving the cosmetic appearance of each of the three leisure centres and sports stadium.

5. Reasons for the Recommendations

- 5.1 This report is for noting and is being presented to update Members of the Committee with progress in relation to the leisure investment reserve.

6. Background Papers

- 6.1 *Leisure Investment Reserve – Allocation Criteria* – Report to Finance and Economic Overview and Scrutiny Committee, published 10 November 2025, available online at:
<https://moderngov.southkesteven.gov.uk/documents/s48572/Leisure%20Investment%20Reserve%20proposals.pdf>