

Public Document Pack

PRESENTATION SLIDES

OVERVIEW AND SCRUTINY COMMITTEE - TUESDAY, 24TH FEBRUARY, 2026

The following presentation slides were used at the Overview and Scrutiny Committee meeting.

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Farnborough Leisure Centre

Overview & Scrutiny Committee - 24 February 2026



Introductions

Proposed approach for the meeting

- 1) Introduction from Councillor Sophie Porter
- 2) Short introductory presentation – RBC team
 - Background, key issues and decisions
- 3) Assurance on delivery approach
 - Alliance Leisure – Sarah Watts, Chief Executive
- 4) Q&A – Round table - Chair to request questions
 - Questions for Alliance Leisure
 - Questions for RBC team

Alliance Leisure to leave and Committee to go to ‘in private’ session

- 4) In Private (Resolution)
 - Quick overview of legal/Contract matters
 - Any ‘in private ‘/commercial questions –
- 5) Committee Debate and any recommendations for Cabinet

Members may want to capture/write down questions as we go.

Summary of decisions in the Cabinet report

- Subject to planning permission being granted;
 - Enter into contract with Alliance Leisure Services Ltd for delivery of a new leisure centre and car park in Farnborough – contract price £25.3m
 - Agree client side budget of £2.2m
 - Appropriation of the Queensmead Car Park for planning purposes
- Recommend Council put in place total capital budget of £27.5m

What the report covers

- History of the project is set out in section 2 of the report.
- Section 3 covers the design stage and identifies outstanding matters where the Council retains risk
- Section 4 sets out the project costs (Detail in Appendix C)
- Section 5 of the report summarises the affordability – Exempt Appendix A sets out base case assumptions, modelling and sensitivities
- Section 6 talks through the delivery approach – Alliance Leisure as delivery partner (Development Manager)
- Section 7 covers the Contract, Major risks and Mitigation
- Section 9 covers alternative options and consultation
- Section 10 contains the corporate implications and statutory officer views
 - Risks, legal implications and wider financial impacts

Key Project Milestones

Milestone	Date
Cabinet decision to enter into contract	3 rd March 2026
Planning committee	11 th March 2026
RIBA 4 complete and final contract documentation issued	13 th March 2026
Council approval of capital budget	19 th March 2026
Contract award	End March/early April
Pre-commencement activity	May/June
Full start on site	29 th June 2026
Practical completion	26 th November 2027
Earliest opening (subject to fit out)	10 th December 2027

Key considerations

- Key considerations for Cabinet (and suggested focus for OSC):
 - 1) Confidence in Alliance Leisure Services Ltd – as contractor responsible for delivering the scheme.
 - 2) Affordability
 - 3) Risk mitigation

Project Budget, Funding & Affordability

High-level breakdown of
project costs:

Project Cost	£
Contract cost	25,256,457
Client side costs	1,479,991
S106 funded playground	200,000
Capitalised interest	555,960
Project Cost Total	27,492,408

Funding approach:

Funding	£
Levelling Up Funding	18,500,000
S106	200,000
Borrowing	8,792,408
Project Funding Total	27,492,408

Project Budget, Funding & Affordability

Key Considerations:

- The Council will be required to borrow an additional £8.8m to enable this project.
- This has a direct impact on the council's revenue budget, which has been taken into account in the 2026/27 budget & MTFS. The budget is subject to approval by Council on 26 February 2026.
- In the initial years following project completion, revenue costs outweigh operator income.
- From year 4 onwards, there will be a net positive revenue position to enable debt costs of the project to be covered, provide additional income to the council whilst providing a leisure asset to the public.
- Council will be asked to approve the change to the 26/27 capital programme at its meeting in March.

Key Risks

- 1) Ground conditions/provisional sums – impact on budget and programme
 - Site risks: Ground contamination incl. asbestos & obstructions
 - Dewatering (removal of excess ground water from site)
 - Civil works Play area
 - External services and temporary services connections (water/gas etc)
- 2) Contractor failure
- 3) Financial risks associated with the funding approach (borrowing/interest rates)
- 4) Programme risk - Planning consent/S106 still to be negotiated

Key Risk Mitigation

- Ground conditions
 - Site risks: Ground contamination incl. asbestos & obstructions – Sampling has identified some contaminants, Coal Tar from Tarmac
 - Dewatering (removal of excess ground water from site) – Sampling identified contaminants which have been tested. Currently low concentrations enables disposal in sewage system
 - Civil works play area – Provisional sum may be inadequate within RBC ability to manage through design process
 - External services and temporary services connections (water/gas etc) – Unknown at this stage although actions that can be taken to ensure supply have been done and if not temporary supply will be put in place
- Contractor failure – Experienced Development Manager, PCG plus 5% retention, RBC project team in place. Additional protections could be potentially be provided through a bond but at additional cost and delay to commencement
- Financial risks associated with the funding approach (borrowing/interest rates) – manage as for other council borrowing
- Programme risk - Planning consent/S106 still to be negotiated – Expecting recommendation to permit, S106 conversations to be confirmed in next few weeks

Overview & Scrutiny

Rushmoor Borough Council
Farnborough Leisure Centre



Alliance Leisure is a development partner transforming sport and leisure spaces through the UK Leisure Framework



Who we are.

Alliance Leisure is the UK's leading leisure development partner, supporting local authorities that want to improve or expand the leisure facilities and services provided to their local communities.

We develop leisure facilities ranging from £40m+ new builds and large-scale refurbishments, through to outdoor play pitches and play facilities.

Our mission is to make public leisure sustainable and to build healthier communities.

Our expert team supports clients from the earliest project stage (RIBA 0) through to completion and beyond, covering every aspect of development including procurement, finance, legal, construction, marketing and operations.

We act as a trusted partner, working closely with our partners and their communities to design solutions that truly fit local need.

£1b+
in RIBA Stages

310+
projects delivered

81%
Of clients chose us for further projects



Warsop Health Hub
Value: £9.1m

£510m
Invested in local authority assets



Harrogate Leisure and Wellness Centre
Value: £13.5m





With you every step of the way.

Alliance Leisure work hand in hand with our clients, providing solutions and support throughout a project. Our team are with you every step of the way, through to completion and beyond, to provide learning from over 310 developments delivered.

- Leisure-Specific Expertise
- Complete Turnkey Solution
- Value for Money Assured
- Guided, Transparent Gateway Process
- Adding Value
- Affordability First
- Fast Low Risk Procurement
- Mitigating Risk
- Social Value & Sustainability
- Supply Chain Advantage

What We Do





New Build of Sport & Leisure Facilities



Outdoor Parks & Green Spaces



Innovative Refurbishments



Outdoor Pitches



Decarbonisation



Heritage & Culture

Caerphilly Leisure Centre



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Chard Leisure Centre



White Oak Leisure Centre



Knaresborough Leisure & Wellbeing Centre



#TransformingLeisure

Harrogate Leisure and Wellness Centre



Mablethorpe Leisure & Learning Hub



Kingston Leisure Centre

Whitchurch Pool & Fitness Centre

Derby Football Hub



Trowbridge Leisure Centre



Parsloes Park



Warsop Health Hub



Project Delivery.

Farnborough Leisure Centre

Alliance Leisure Services Ltd (ALS) has prepared this document to share updates of the new Farnborough Leisure Centre with members of Rushmoor Borough Council's Overview and Scrutiny Committee.

Key items:

- providing assurance regarding our experience;
- our delivery approach, and
- our commitment to working in partnership with the Council to successfully deliver a high-quality leisure facility.

We are committed to delivering a facility that will serve the community for many years to come, while ensuring strong governance, effective risk management, and responsible stewardship of public funds.

ALS has assembled a proven delivery team consisting of:

- Hadron Consulting, Project Management
- GT3 Architects, Architect & Designer
- Pellikaan, Principal Contractor
- A large number of Specialist Consultants

Project Update:

- Currently RIBA 4 design completed by March 26
- Guaranteed Maximum Prices submitted to RBC
- Approval to enter into the Delivery Management Agreement requested at Cabinet: 3rd March
- Planning Approval Decision due at committee: 11th March

The design includes:

- A 25-metre swimming pool
- Learner pool with moveable floor
- A gym offering more than 100 fitness stations
- Specialist power-assisted gym equipment for people who are less mobile or active
- Studio space
- A spin studio
- Soft play area
- A café

Project Delivery

Farnborough Leisure Centre





DEVELOPMENT PARTNER

PRINCIPAL DESIGNER - BR

PRINCIPAL DESIGNER - CDM

CLERK OF WORKS

BUILDING CONTRACTOR

PROJECT MANAGER / QS

ARCHITECTS

SPECIALIST SUB-CONTRACTORS

DESIGN AND BUILD TEAM

Project Delivery.

Farnborough Leisure Centre

KEY RISKS

- Ground Condition
 - Numerous site investigation surveys and trial holes have been completed through the design process
 - Risk of unknowns occurring upon construction commencement
 - Provisional sum has been included to cover the assumed risk
 - Contingency has been boosted to cover additional ground risk
- Principal Contractor Insolvency
 - Alliance Leisure has extensive experience via the ISG collapse in 2024
 - Across nine projects affected, worth approximately £250 million in total
 - Less than 100 days after ISG went under, all nine affected leisure developments were back on track
 - All affected projects were bought in with circa a 1% overspend
 - Extensive positive references from affected projects
- Agreement of legal documentation:
 - Dialogue currently underway between RBC & ALS legal teams
 - Risk of delay to agreeing contracts may impact programme and costs

Project Delivery.

2.2 Financial Securities: ALS Experience

The Fallout from ISG's Collapse

Alliance has recent experience in respect of a Principal Contractor entering into administration, with ISG's failure in September 2024 leaving several projects in limbo.

Alliance Leisure, which had been working with ISG as principal contractor, suddenly found itself having to manage risk, liaise with clients, secure sites, reassign contracts and reassure stakeholders.

Across nine projects affected, worth approximately £250 million in total, delays, cost risks and uncertainty loomed.

Alliance Leisure's leadership made stabilisation the first priority — securing sites and ensuring that people (contractors, sub-contractors, council clients, community groups) knew what was happening.

Through the UK Leisure Framework (managed by Denbighshire Leisure Ltd), Alliance was able to mobilise alternative contractors rapidly. The Framework's flexibility was crucial in permitting speedier re-appointment and continuity of work.

Less than 100 days after ISG went under, all nine affected leisure developments were back on track. That itself is a marker of how seriously Alliance, its partner councils and the supply chain treated the crisis.

- All affected projects were bought in with circa a 1% overspend
- the references we received from the worst affected projects were the best we have ever had

The following slides describe real life examples of the impact of ISG's collapse

Project Delivery.

2.3 Financial Securities: ALS Experience

Clay Cross Active: Delivered Amid Challenge

Perhaps the clearest example of Alliance Leisure's ability to pick up the pieces is *Clay Cross Active*, a major leisure and wellbeing hub in North East Derbyshire. Prior to ISG's collapse, this project was already under construction, but when ISG entered administration, work was halted and the project was at risk.

Alliance Leisure, working with the council, moved quickly to appoint a replacement contractor (Universal Civils & Build) to pick up the work. Key steps included securing the site, protecting or reassigning sub-contractors, and managing the contractual, financial and technical risks associated with the handover.

Despite the disruption, Clay Cross Active has now been delivered. The centre includes health, fitness and wellbeing facilities, together with essential community services — all designed to serve more than 20,000 local residents. It is a state-of-the-art hub that not only meets the original aspirations but does so in a way that reckons with the unexpected challenges.

Delivering Clay Cross Active under these conditions is a significant success marker. It shows that with effective risk management, client-partnership and contractor re-mobilisation, projects can be delivered even after major disruption. For the community, Clay Cross Active will become a vital asset — health, social connection,

mental wellbeing, fitness — all these depend on quality leisure infrastructure.



Project Delivery.

2.4 Financial Securities: ALS Experience

Wilson Sports Village: Nearing Completion

A second project that tells a similar success story is the *Wilson Sports Village*, which is being delivered on behalf of Hyndburn Borough Council.

This project was also hit by ISG's collapse; the lead contractor was lost, construction came to a halt and timelines were thrown into uncertainty.

Here, again, Alliance Leisure has played a central role as development partner. Using the UK Leisure Framework, Alliance Leisure rapidly appointed a replacement: Universal Civils & Build was brought in to complete the project.

The scale of Wilson Sports Village is considerable. It's a £12 million facility financed in part by Sport England (about £2.4 million of the funding). The planned amenities included a 25-metre, four-lane swimming pool; a fitness suite; group exercise studio; café; large changing village; and changing facilities for teams using the outdoor sports facilities already present on the site.

Perhaps as impressively, the financial risks have been managed tightly: despite all the disruption, the projected overspend is minimal (about 1%), covered from existing council resources. This is in large part due to swift negotiation, effective value engineering and the collaborative working relationships that Alliance and its partners maintained throughout the crisis.



Page 27 Construction had reached about 45% complete when ISG went under.

After appointment of the new contractor, work re-started in January 2025. The official opening is scheduled for the 10th October 2025 when it will be re-opened under the new name, the Cath Thom Leisure Centre, in honour of a much-loved local figure.

Project Delivery.

2.5 Financial Securities: ALS Experience

Lessons Learned & Broader Significance

A number of lessons have emerged from this situation, both for the leisure sector and for any organisation tasked with large-scale capital delivery under risk.

Frameworks matter: The [UK Leisure Framework](#) (managed by Denbighshire Leisure Ltd) provided the vital flexibility to appoint new contractors quickly. Without such mechanisms in place, re-procurement could have dragged on, delaying everything and amplifying cost overruns.

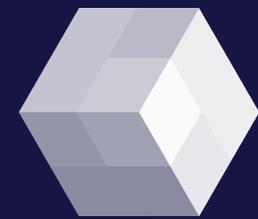
Client-partner relationships count: Alliance Leisure's ability to reassure councils, maintain communication, secure buy-in from sub-contractors and other partners, and to keep stakeholders informed was critical. It was not enough simply to have technical capacity; trust and transparency were essential.

Risk mitigation & agility: Quickly assessing which

projects were most jeopardised, then acting to protect sites, staff, supply chains, was essential. Alliance and its partners moved fast to limit the damage from ISG's exit.

Commitment to quality and community: Even under pressure, the specifications for both projects have been maintained (or only modestly adjusted), particularly in their design of accessible facilities, environmental features (e.g. low/zero carbon technologies at Wilsons), and preserving outdoor amenities. These aren't minor details; they matter for long-term sustainability and community use.

Financial discipline: Minimising cost overruns has been central. Wilson's small projected overspend is testament to careful cost control.



AllianceLeisure

Questions – Quick round table to capture initial questions

- 1) On the report and open appendices generally
- 2) Questions for Alliance Leisure
- 3) Questions relating to confidential appendices (to be held in private)
- 4) Questions relating to contractual matters (to be held in private)