



Derby City Council

**REGENERATING OUR CITY OVERVIEW AND  
SCRUTINY BOARD  
21 February 2017**

# ITEM 6

Report of the Strategic Director of Communities and  
Place

## **Leisure Facilities Strategy report - Leisure Facilities & Pool Update**

### **SUMMARY**

- 1.1 A Leisure Facility Strategy (LFS) was produced for Derby to set out a plan of how best to replace the Council's aging leisure facilities with new, modern and fit for purpose venues, which would meet the future needs and aspirations of the City.
- 1.2 The LFS proposed a hub and satellite approach on a phased basis over a five year plan. Phase 1 was to develop the Derby Arena hub which is now open. Phase 2 was to develop a 50 metre swimming pool hub, which is currently being progressed as a priority and forms the basis of this update; Phase 3 was to develop satellite swimming pool facilities.
- 1.3 At the Regenerating Our City Overview & Scrutiny Board on 18 August 2015, an update report was provided on the progress being made on Phase 2 and Phase 3 of the LFS and a number of next steps were agreed. These were:
  - To establish a project team to develop and report back to this Board on the following:
    - To review previous client requirements/project brief and estimated costs to include any updated NGB guidance etc. for the 50 metre swimming pool and leisure water.
    - To request feedback for locating the leisure water option at Moorways.
    - To develop optional site layouts for the Moorways site and identify, if possible, land surplus to requirements.
    - To decide whether to consider possible alternative site locations.
    - To consider alternative procurement routes for both the initial design and subsequent build processes.
    - To develop possible optional arrangements for the ongoing management of the facility.
    - To explore any grant aided opportunities.
    - To determine the extent, need and estimated costs of external assistance in developing the next steps.
    - To consider the associated revenue budget to operate and manage the new facility.
    - To consider the need and extent of consultation with stakeholders to enable views to be included as the design solution develops.
    - To re-establish the governance arrangements and produce reports on the above.

We are pleased to report that all the items listed above have been developed significantly and the update on these items and also on the update report that was provided at the Regenerating Our City Overview & Scrutiny Board on 1 December 2015 are summarised in Paragraphs 4.1 – 4.22.

- 1.4 At Full Council on 20 July 2016, an announcement was also made to explore the options to deliver a 50 metre swimming pool and some leisure water at Moorways and the content of this report also reflects that steer.
- 1.5 This project is a top priority for the Council and there are key people on the Project Board driving progress. Cllr Baggy Shanker is the Cabinet Member lead, the Strategic Director for Communities and Place chairs the Project Board and the Director of Leisure, Culture and Tourism chairs the Project Team. Both the Project Board and Project Team are meeting regularly and are well attended. Expertise is provided by representatives from a number of key departments across the Council and by Sport England and the Amateur Swimming Association.
- 1.6 Excellent progress has been made to date on the feasibility study requirements for the whole site and for the Swimming Pool complex, the facility mix options, the Swimming Pool configuration options and the outline designs for the new venue.

#### **RECOMMENDATION**

- 2.1 To note the excellent progress made on Phase 2 of the Leisure Facilities Strategy.

#### **REASONS FOR RECOMMENDATION**

- 3.1 To ensure that the Regenerating Our City Overview & Scrutiny Board members are aware of the excellent progress being made to date on the Leisure Facilities Strategy.
- 3.2 Progressing the next phase(s) of the LFS will assist developing the replacement of the Council's swimming pools with new modern facilities that meet the future needs and aspirations of the City.

#### **SUPPORTING INFORMATION**

- 4.1 Following this announcement at Full Council, 20 July 2016, a formal governance structure for Phase 2 of the LFS has been put in place. These arrangements will ensure that there is accountability for the success of the delivery of a new swimming pool complex, support is provided for the project, assistance is provided to ensure that the project is delivered within the agreed timeline and for the escalation of risks and issues to the levels required.

- 4.2 The Project governance arrangements has three clearly defined levels; Executive Key Capital Projects Board, Project Board and Project Team. All three have met and they have commended the excellent progress that is being made. A Risk Register has been produced which is reviewed and updated at both Project Board and Team to ensure all potential risks are captured, scored and mitigations have been identified to reduce the impact of the risk.
- 4.3 A Physical Activity and Sport Strategy is being developed that creates the overarching strategic context to help determine the requirements of the LFS. This Strategy creates a whole systems approach to increasing physical activity across all population groups in Derby, through the development of a strategy which will enable partners working within Derby to combine and prioritise their resources. The overall ambition is to increase activity to enable and secure greater participation in physical activity for residents and the LFS enables this to be achieved through the use of leisure facilities within the City.
- 4.4 The current LFS was produced in 2009 and needs to be updated to take into account future population growth in Derby and that of neighbouring Local Authorities. Sport England use a Facility Planning Model (FPM) exercise to undertake an assessment of the supply and demand for swimming in the City. This piece of work was commissioned in late 2015. Details of this are described in paragraphs 4.5 – 4.10. The information from the FPM exercise will help determine the update that will be required for the LFS and a consultant will be appointed to carry out this specialist work.
- 4.5 In 2015, the Council commissioned Sport England to undertake their Facility Planning Model (FPM) assessment on the need for swimming pool provision in Derby. The run was undertaken in December 2015 focusing on the need for swimming facility provision over the period 2015 to 2028. The assessment took into account the current and expected future supply and location of swimming facilities, current and expected future demand for swimming as well as changes in population, housing growth in and bordering the City, accessibility and changes in adjacent local authority provision.
- 4.6 In terms of analysing the impact of the test runs that were carried out on swimming provision, five scenario test runs were undertaken. All the test runs included a 50 metre swimming pool at the Moorways site. Of the five scenario test runs, two provided the best opportunities for improving swimming pool facility provision in Derby, with one providing the best geographical spread of swimming across the City.
- 4.7 When assessing the demand for swimming in Derby, it is forecast that the City's population will have increased by 8.5% to 278,090, by 2028. In addition to this the City's increased additional demand will result in part from the new housing developments bordering the City in South Derbyshire and Erewash.
- 4.8 The FPM has identified that demand for swimming, by 2028 will significantly increase in the South East and South West of the City. This is in stark contrast to the 2015 position, where demand is evenly spread across the City.

- 4.9 By 2028, much of the City's current swimming pool stock will have reached the end of its active life without significant investment. Queens Leisure Centre (QLC) will be 96 years old, Moorways Swimming Pool (MSP), which is now closed, will be over 50 years old, the current Lonsdale Swimming Pool, managed by Lonsdale Swimming and Sports Trust Limited, is expected to be closed by 2025 and Gayton Swimming Pool, which is managed by Lonsdale Swimming and Sports Trust Limited, on behalf of the Council, will be over 15 years old. As a result to do nothing is not an option if the Council is to provide facilities that meet the demands of swimming in the City.
- 4.10 In September 2016, the Swimming Pool Project Board approved the overall principles of the Sport England Facility Planning Model for Swimming Pool provision in Derby.
- 4.11 As part of the Councils Medium Term Financial Plan budget consultation for 2017-2020, capital borrowing of up to £20,000,000 has been identified to support the development of a new swimming pool. The proposed budget is to be considered at Cabinet on 15 February and at Full Council on 1 March, as part of the Council's overall budget proposals.
- 4.12 As the Council requires specialist expertise for this project, £280,000 from the Leisure Revenue Reserve was approved to appoint the necessary expert advisors to develop the swimming pool feasibility options and to provide the estimated capital build costs. MACE was appointed in November 2016 along with architects Faulkner Browns. Project meetings have taken place and outline designs for the new swimming pool complex are currently being prepared.
- 4.13 Consideration of alternative procurement routes was also carried out for both the initial design and subsequent build processes. This explored Traditional, Design & Build, and Design, Build, Operate & Maintain (DBOM). The option approved by the Swimming Pool Project Board was the Traditional Design and Build via the ESPO Framework.
- 4.14 This project is a top priority for the Council and there are key people on the Project Board driving progress. Cllr Baggy Shanker is the Cabinet Member lead, the Strategic Director for Communities and Place chairs the Project Board and the Director of Leisure, Culture and Tourism chairs the Project Team. Both the Project Board and Project Team are meeting regularly and are well attended. Expertise is provided by representatives from a number of key departments across the Council and by Sport England and the Amateur Swimming Association.
- 4.15 Excellent progress has been made to date on the feasibility study requirements for the whole site and for the Swimming Pool Complex, the facility mix options, the Swimming Pool configuration options and the outline designs for the new venue.
- 4.16 A number of meetings have been held with the nominated representative from the Amateur Swimming Association (ASA) to gain invaluable input into assessing how best to meet the swimming requirements of Derby. The ASA have assessed the regional event venue opportunity for Derby and will provide support by contributing to the development of the items in paragraph 4.15 above.

- 4.17 As the Council requires the new swimming pool to be financially sustainable, funding from the Delivering Differently budget allocated to the new swimming pool project has been used to appoint FMG, a specialist Leisure Consultant. They will work with Officers on the development of the Business Case to aid the Council in making the decision on the most suitable facility mix to allow the new venue to be financially sustainable. Project meetings have taken place, along with stakeholder meetings and information gathering to allow initial feedback to be provided as part of the outline design process.
- 4.18 As part of the detailed work required, the Council has to provide its “Authorities Requirements”. An initial review of this document has started with key stakeholders.
- 4.19 As with any high profile project such as this, communication and stakeholder engagement is critical. To aid this process a high level Communications Plan and a ‘key messages’ document have been produced to ensure that consistent and timely information is provided to key stakeholders such as Councillors, partners and the media.
- 4.20 Benchmarking visits have taken place across the country to gain valuable insight on best practice for the facility mix, pool design and operation. Visits have taken place to Harvey Hadden in Nottingham, the International Pool in Corby, facilities in Aylesbury, High Wycombe and Huddersfield to help determine the best possible venue for Derby.
- 4.21 Feasibility work is already underway, the results of which will be brought to Cabinet in Spring 2017. It is anticipated that, subject to the feasibility, construction work will commence on site in Spring 2018 and last approximately 18 months. The new swimming pool complex is scheduled to open early 2020.
- 4.22 Additional resources are required to deliver a project of this magnitude as such the Head of Leisure post has been appointed to with an agreed start date of May 2017. The Council has also appointed specialists for the Feasibility Study, Facility Business Case and the Physical Activity and Sports Strategy, as these are key pieces of work for the strategic context of the project.

## **OTHER OPTIONS CONSIDERED**

- 5.1 Not to progress with the further phases of the LFS would leave the City without sufficient swimming pool water space for the demand in the City up to 2028.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Estates/Property officer</b>  <b>Service Director(s)</b> <b>Other(s)</b>	Olu Idowa, Head of Legal Services Amanda Fletcher, Head of Finance for Communities and Place Jayne Sowerby Warrington, Head of Strategic Asset Management/Estates Phil Derbyshire, Head of Property Design and Maintenance Claire Davenport, Director of Leisure, Culture and Tourism Anne Webster Equalities and Diversity Lead
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Wayne Sills 01332 641267 wayne.sills@derby.gov.uk None Appendix 1 – Implications

## IMPLICATIONS

### Financial and Value for Money

- 1.1 In order for this project to develop further than the feasibility stage, capital funding is being identified as part of the Council's MTFP budget setting process for 2017 - 2020.
- 1.2 Equally important is to develop a facility mix that is as cost effective as possible and therefore a business case is being produced for the proposed new swimming pool complex identifying the revenue implications of the venue. As the facility will be fit for purpose, the operating costs for areas such as energy and maintenance will ensure that the revenue costs are kept as low as possible.
- 1.3 The tax adviser for the Council will be consulted on the proposed project in order for the tax implications to be taken into account by the Council.

### Legal

- 2.1 The feasibility consultant using the ESPO Framework and contract documentation has been signed. This contract sets out the three parts required to deliver the Swimming Pool Complex. Part 1 is the feasibility stage for the whole of the Moorways site and swimming pool element of the site development. Part 2 is the progression to the provision of detailed designs for the Swimming Pool Complex and Part 3 is the construction element of the project. The contract allows for a break clause to be enacted by the Council should the Council not wish to proceed at any part of the project.
- 2.2 Should the Council proceed to the construction part of the project, this contractor will be procured and all the contract documentation will be issued.
- 2.3 The Council's procurement process has been followed in order to appoint the specialist consultants who are supporting the team delivering this ambitious project on behalf of the Council.

### Personnel

- 3.1 Should the project progress to the opening of a brand new swimming pool complex, new jobs will be created in the City.

### IT

- 4.1 None arising directly from this report.

### Equalities Impact

- 5.1 Equalities implications will be developed when the site option/location is determined.

## **Health and Safety**

- 6.1 Health & Safety implications will be developed when final site option/location is determined.

## **Environmental Sustainability**

- 7.1 The facility will be designed and built with the aim, as far as possible, to minimise the carbon footprint. An assessment will be made on whether BREEAM or the EPC energy criteria are used.

## **Property and Asset Management**

- 8.1 The Head of Strategic Asset Management and Estates and the Head of Property Design and Maintenance are being consulted on these proposals as Project Board Members.

## **Risk Management**

- 9.1 A risk register has been developed for this project which is being updated as the project progresses and as decisions are reached.

## **Corporate objectives and priorities for change**

- 10.1 To meet the Council Plan 2016-19 vision and priorities and the objectives of the LFS