

REVIEW OF COUNCIL LEISURE FACILITIES

SUMMARY

- 1 This report outlines proposals for the most exciting and significant leisure developments for the city in the last 40 years. It will deliver two iconic sporting hubs complemented by a network of neighbourhood sports facilities.

The new facilities will provide sporting, cultural, economic and regeneration benefits that will have a considerable impact on the city and its residents. It will change the landscape of sporting provision in the city, provide a wider range of cultural opportunities for local people, including major sporting events, concerts, and exhibitions and attract additional visitors and businesses to Derby. In the wake of London 2012 it will provide an exciting and innovative legacy for Derby which will support wider participation and motivate and inspire current and future generations of local people to be active.

The two hub facilities will be of county and regional significance providing outstanding facilities for both local and visiting athletes, spectators, coaches, volunteers, clubs and officials.

These proposals will build on Derby's sporting heritage, placing it firmly back 'on the map' whilst also contributing to the local economy by helping to regenerate areas where the new facilities are located.

RECOMMENDATION

- 2.1 To note the findings of the consultant's report, and agree in principle that the Council should take forward the proposals in the report.
- 2.2 To recommend to Council that the proposals for new leisure facilities are approved and that provision for the funding required is made provisionally within the Council's Revenue Budgets and Capital Programme from 2010/11.
- 2.3 That a multi-disciplinary project team is created and tasked to develop site options, outline design, costings and financial models for consideration by Cabinet, and consultation as the project progresses.

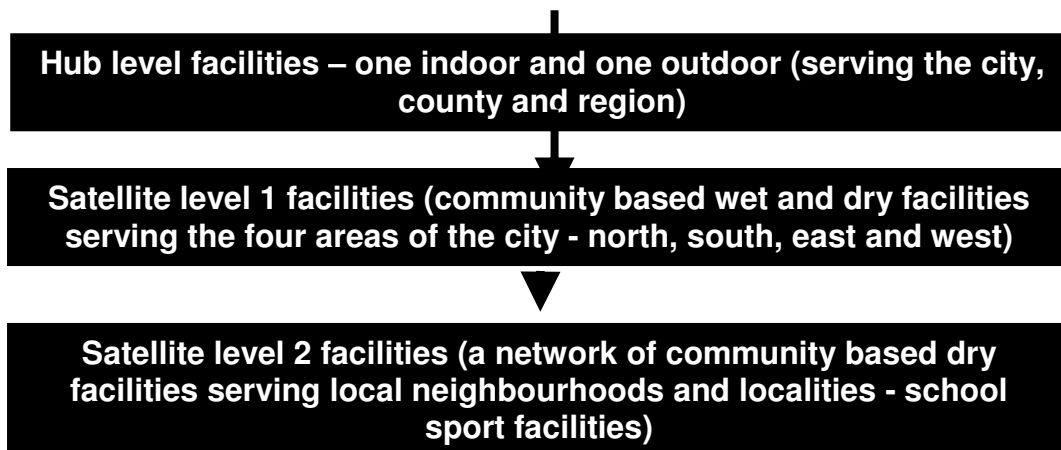
SUPPORTING INFORMATION

- 3.1 In January 2009 Cabinet considered a report from the Director of Environmental Services recommending a full and independent feasibility study into the future provision of Council leisure facilities in Derby. This proposal was agreed and, following a tendering process, PMPgenesis were appointed as consultants to undertake the study in April 2009. Their remit was to:
- assess the adequacy of the current facilities stock and its potential for improvement/adaptation
 - undertake a full assessment of the city's current and future Leisure and Sports needs
 - make recommendations for future facilities based on the needs assessment, value for money and the views of stakeholders.
- 3.2 After a detailed and robust study PMPgenesis submitted their final report in November 2009, a copy of which is attached at Appendix 2. The report's findings can be summarised as follows.
- The existing facilities (with the exception of Springwood) are ageing, in poor repair due to lack of investment over many years, and are no longer fit for purpose.
 - There is a high risk of partial or full closure of facilities. Many facilities have already had to close some parts of their operation (for example sauna, squash courts) and incidents during 2009 have closed both Moorways and Queens Leisure Centre pools for periods of time.
 - Our leisure centre costs are high based on national benchmarking. For most sites percentage cost recovery is low and subsidy per visit is high, staff costs as a percentage of income are very high at all sites outweighing income, energy costs are high at all sites except Springwood – an indication of the state of current assets, and secondary income per visit is very low apart from Queens Leisure Centre and Moorways pool.
 - The facilities are not up to modern day standards and do not meet the expectations of our customers. This is clearly demonstrated by the Place Survey results which show a 20% decline in satisfaction with our leisure facilities (57% down to 36.9%). Also, the Active People survey shows Derby to be in the bottom 25% for customer satisfaction with leisure facilities.
 - Moorways track is in need of urgent repair and upgrading, without which it will lose its certification to hold competitions.
 - None of the facilities are DDA compliant.

In PMPgenesis' view Derby's facilities do not match their ambition to become the most active city in England.

- 3.3 PMPgenesis also considered the potential for improving/adapting our existing facilities. In 2005 a previous study had estimated that the basic refurbishment costs for all of the centres (at that time) would be c£18m, whilst adaptation and re-modelling would cost c£37m, and a total re-build of all the centres would cost c£70m. PMPgenesis believe that none of these options represent good value for money as they would only replicate current facility provision, have no regard for where facilities are best located, did not consider the impact of city growth, and did not take into account the aspirations of the city. In contrast, the proposals in their report do address these issues with an estimated capital cost of £50m.

- 3.4 When considering future facility needs for the city the consultants had regard to the strategic aims of the Council and its partners (particularly the Sustainable Community Strategy, Local Area Agreement and Corporate Plan). Sport and physical activity play a key role in many of our strategic priorities such as improving health, tackling health inequalities, tackling obesity, and helping to build social cohesion within our communities. New, improved facilities would provide new opportunities to extend this role and further develop successful (and nationally-recognised) programmes such as 'b-active' and 'the movement'. New facilities would also provide further opportunities for the 'Lifestyle/Wellness Service' developed with the PCT and soon to be launched by Sport and Leisure, together with a range of co-locating options (medical centres, pharmacies, shops, libraries, police stations, etc. in line with the Total Place agenda.
- 3.5 The consultants also considered both the opportunities and impact of the London 2012 Olympic and Para-Olympic Games and the England 2018 World Cup bid. Both will spark a renewed interest in a range of sports activities and increase expectations within the community. Derby's current facilities are incapable of meeting such expectations and the opportunity to generate and sustain increased activity levels may be lost. Investment in new facilities as proposed by the consultants will help to inspire local people to be more active and will provide a lasting legacy for Derby.
- 3.6 In the report PMPgenesis propose a sports facility infrastructure designed to meet current and future needs of the city based on the following model:



Manchester Aquatics Centre – Two Floating Floors

Indoor Hub Level facilities include:

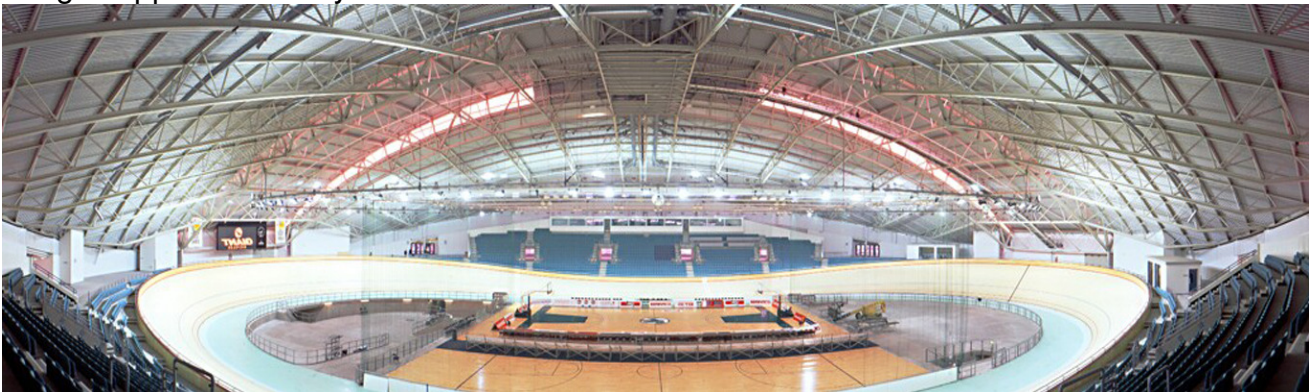
- Leisure water
- Teaching pool
- Health and Fitness facilities
- Flexible studio space
- Lifestyle services – nutrition, weight management
- Opportunities for partnership/ shared services and spaces with PCT, library etc.

Outdoor Hub Level facilities include:

- A 250m indoor velodrome with 10 – 12 court sports hall (inside the track). This sports hall will provide a flexible facility for a variety of sports. It could also be used as a 3 - 4,000 seat concert venue or an exhibition space for local/regional events. Such events attract visitors to Derby and thereby support local businesses.
- A closed (outdoor) road cycling circuit (1.5 – 2 km)
- New athletics track (to replace Moorways)
- Space for partners and clubs
- Commercial opportunities

These facilities will attract local, county and regional customers and would therefore benefit from being centrally located and close to major public transport facilities.

Image supplied courtesy of FAULKNERBROWN ARCHITECTS



3.7 Four Satellite Level 1 facilities will be located within in the north, south, east and west of the city and will provide both 'wet' and 'dry' facilities for local people. Where possible these will be extended versions of existing facilities to minimise cost. The report identifies possible locations for these but further work would be necessary to confirm these and seek customer views. Satellite Level 2 facilities will be community-based 'dry' facilities. Many of these will be schools but other community facilities will also be available on a part-time basis.

3.8 Delivery of this hub and spoke model will clearly need to be phased over a period of time (estimated 4 years) with priority be given to developing the two hub facilities. The consultants believe that commencing work on the indoor hub at the earliest opportunity would allow its completion before the closure of the pools at Moorways and QLC. However, if there are significant delays in delivering this, one or both facilities could close before it is completed.

- 3.9 The proposals in PMPgenesis' report address all of the issues in 3.12 and provide a facility infrastructure that would enhance Derby's reputation, locally, regionally and nationally. The two hubs will create facilities of regional and national significance and will attract high level competitors to Derby. The enhanced provision will greatly benefit local sports clubs and individuals of all ages and all skill levels across the city, enabling a wider range of activities and opportunities for participation.
- 3.10 The innovative hub and spoke model also creates new or enhanced facilities within neighbourhoods, allowing better access within communities and reducing barriers to becoming more active.
- 3.11 The Council (and its partners) aim to make Derby the 'most active city in England' by 2015. These proposals for new and exciting facilities will play a major role in achieving this aim by motivating local people (particularly young people) to become more active, giving them access to inspirational facilities, and helping to create the next generation of sporting talent

NEXT STEPS

- 4.1 If members are minded to approve the reports proposals, work needs to begin immediately to identify potential sites for the two main hubs. In addition, outline specifications for each of the hubs need to be developed so that a more accurate costing of the proposal for each site identified can be created.
- 4.2 Site identifications, design and outline costings will require significant officer input and it is therefore suggested that a multi-disciplinary development team is created within the Council in order to take forward this preliminary work. It is envisaged that this initial work will commence in January 2010 with a report on options being prepared for members consideration in March 2010.
- 4.3 Clearly once the initial work has been completed and possible sites identified there will need to be a full consultation exercise in order to capture member, residents, and stakeholder views at this early stage so that they can be included in the final decision making process on the implementation of the scheme.

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Background papers: None
List of appendices: Appendix 1 – Implications
Appendix 2 – Report from PMPgenesis

IMPLICATIONS

Financial

- 1.1 The report sets out the financial implications of the proposals. The total capital cost of all 'hub and spoke' facilities is an estimated £50m (including contingencies), with approximately £40m of this for the two hub facilities and up to £10m for the satellite facilities. Prudential borrowing to fund the strategy would cost an estimated additional £3.256m per annum by 2013/14, although revenue savings on running costs could reduce this to £2.756m. The estimated costs assume a level of capital receipts but do not include the cost of any land purchase that may be required or any potential sources of external funding/grants that would reduce the overall cost.
- 1.2 Revenue funding of £634k in 2011/12 increasing to £2.2m in 2012/13 has been included in the Cabinet's proposed three year budget strategy that would fund the prudential borrowing costs of the Leisure Strategy up to £35m should it be approved by Full Council.
- 1.3 This increased expenditure would bring Derby's per capita gross expenditure on sport and leisure to £34.82 per annum (currently £23.33). This compares well with three other unitary authorities used as comparators (whose costs are £37.80, £34.74 and £35.03 respectively) none of which have both a 50m pool and a velodrome. On this basis the proposals represent good value for money.
- 1.4 If the proposals are approved the scheme would be phased over a 5-year period. The expenditure over this period is likely to be as follows:

2009/10	No additional expenditure
2010/11	£1m
2011/12	£10m
2012/13	£25m
2013/14	£14m

These sums may vary depending upon the priorities identified by members, the sites chosen, and the procurement process adopted.

The revenue budget implications identified in 1.1 above is a prudent best estimate of cost based on an 'average asset life' which determines the maximum years of borrowing. This may vary as a more detailed specification of capital works becomes clearer where the average asset life could range from 10 years to 40 years
- 1.5 It is clear from the report that if the Council takes no action in respect of its leisure facilities there is a high risk of partial or full closure of one or more facility in the near future, with resultant loss of amenity to local people. It is also clear that the 'stand still' repair/upgrade option represents poor value for money and would not support either the needs of the community or the wider aims of the Council and its partners.

Legal

- 2.1 None arising from this report

Personnel

- 3.1 None arising from this report

Equalities Impact

- 4.1 The new facilities will be fully DDA compliant and will enable access for all members of the community.

Corporate objectives and priorities for change

- 5.1 The proposals support all of the Council's priorities.