



Sports Facilities Development Plan

RECOMMENDATION

- 1.1 To update the Commission on the progress made on the Sport Facilities Development Plan and seek views and comments to assist Officers to further develop the options and proposals outlined in this report.

BACKGROUND

- 2.1 On 14 June 2005 Cabinet endorsed the Sports Facilities Strategy. To take this forward, the Council then commissioned a specialist company to carry out a detailed condition survey, to determine the level of investment that is required to modernise, improve and maintain sports centres.
- 2.2 Information from the condition survey was used to produce a Sports Facilities Development Plan that details the various options open to the Council with regard to the long-term investment in sports centres and the future delivery of services.
- 2.3 The Plan has been structured around three options for investment, a basic refurbishment, adaptation and remodelling or a total rebuild and has revealed the following:

Basic Refurbishment

- 2.4 This mainly includes superficial works to keep the buildings operational, with a degree of betterment to improve changing rooms and upgrades required to meet legislation.

Refurbishment cost	£6,932, 004
Lifecycle Investment	<u>£10,739,666</u>
Total over 25 years	£17,671,670

The basic refurbishment does not include the installation of a lift at Moorways Sports Centre or Moorways Pool. To meet responsibilities under the Disability Discrimination Act (DDA), at some stage in the near future it will be necessary to provide this service at a cost of around £170,000.

2.5 Adaptation and Remodelling

This includes the modernisation and improvement of centres to meet customer expectations and reposition services in the context of the market and wider agenda for sport and physical activity.

- Remodelling cost £20,916,000
- Lifecycle Investment £15,858,525
- Total over 25 years £36,774,525

2.6 Rebuild

This includes rebuilding Moorways Sports Complex, Shaftesbury Sports Centre and Queens Leisure Centre, remodelling Lancaster Sports Centre and extending Springwood Leisure Centre. This option would provide state of the art provision in the city and facilities of county, regional significance that has the potential to play an important role in the county, during the build up to the Olympic Games in 2012.

- New build cost £52,320,670
- Lifecycle cost £18,201,403
- Total over 25 years £70,522,073

The above options do not include provision for the replacement of major sports and fitness equipment. It is estimated that this will cost £40,000 a year across all centres and a detailed equipment replacement schedule is currently being produced for each centre.

2.7 Over the past two years, key facilities at Moorways, Queens Leisure Centre and Springwood have had to be closed on twelve separate occasions, totalling in excess of 700 days. This has had a significant impact on the revenue budget, through lost income (estimated at £70,000) and has seriously disrupted and compromised the quality of service.

To minimise the likelihood of the closure of sports centres or specific facilities at centres over the next year or so and to ensure that the Council meets its statutory responsibilities, the Condition Survey has identified that £590,000 needs to be invested in sports centres in 2006/07. This includes essential building work, DDA work, the replacement of mechanical and electrical plant and urgent health and safety work. The cost of the latter is estimated at £317,000.

Property Services have now evaluated and prioritised work that needs to be undertaken in 2006/7 and the funding for this, estimated at around £73,000, has been included in the capital programme.

- 2.8 The dilemma the service faces is that the basic refurbishment investment of £6.9 million needed over the next five years is insufficient to make the changes that are necessary to provide modern, attractive and accessible facilities.

Research in Derby over the past three years of sports centre users and non-users has consistently identified that improving and modernising local facilities must be given high priority if we are to increase usage and participation. In effect we need to provide facilities that are of comparable quality to those offered by the private sector. It is not acceptable for people who cannot afford to use private facilities to be offered anything less than similar good quality public sector facilities and this can only be achieved by investing capital to adapt and remodel facilities or by the rebuilding option. Because of the above, investing in the basic refurbishment of sports centres is not considered a long-term cost effective solution.

- 2.9 The Sports Facilities Development Plan has identified therefore, that future investment in the service, should focus on the adaptation and remodelling of sports centres and where it is more cost effective, to rebuild centres.

The proposals detailed below are to be explored and developed further:

- Shaftesbury Sports Centre: explore the possibility of establishing a joint venture with the Primary Care Trust (PCT) to provide a new health centre incorporating a sports centre funded via LIFT. Initial discussions with the LIFT project manager from the PCT indicate that the Council would have to make a lease-plus payment for the sports centre over the long term, usually 25 years. The new sports facilities would be comparable to that provided at Springwood Leisure Centre and would cost around £4,710,407 and this includes a sum of £1,376,407 for building life cycle costs. There may be scope to attract SRB and/or Urban Funding towards the cost of this project.
- Springwood Leisure Centre: use of Prudential Borrowing to extend the centre to accommodate a bigger gym. This scheme, costing around £600,000 would be self-financing and by more than trebling the size of the existing gym, would generate an additional net income estimated at £100,000 a year. This would repay the initial loan and also cover the building life cycle costs of £1,820,402.
- Lancaster Sports Centre: specific measures have had to be introduced to improve fire safety and evacuation of premises. The cost of remodelling the centre and meeting the building life cycle costs is estimated at over £5 million. The minimum investment for a basic refurbishment will cost £1,321,920; this includes a sum of £534,140 for building life cycle costs.

- Moorways Sports Complex: this is the most challenging centre because of the scale of the site and the nature of the facilities provided. Because of this, various options need to be explored, including the integration and possibly scaling down of the three existing buildings.

Officers have recently met with EMDA, Sport England, Derbyshire Sport and Derby and Derbyshire Economic Partnership to explore the likelihood of funding a major development at Moorways. Although expectations are high following the announcement of London 2012 the focus of any additional capital funding will be targeted towards National Governing Bodies of Sport and the existing network of Centres of Excellence.

Because of this and the scale of investment needed, it is very unlikely that other sources of external funds currently exist to fund this project. Having said this, discussions are being held with Derby University and Derby College about the potential for working in partnership on development opportunities associated with any reconfiguration, rationalisation and/or relocation of sports facilities in the city.

The adaptation and remodelling cost is estimated at £13,960,616 and includes a sum of £6,349,616 for building life cycle costs. The cost of rebuilding a new sports centre, stadium and remodelling the pool is estimated at £21,316,990 and this includes a sum of £8,305,990 for building life cycle costs.

- Queen's Leisure Centre: similar to Moorways, there is a significant cost associated with the modernisation and improvement of this centre. There are structural cracks in the Family Pool tank, constructed in 1932 and the Teaching Pool tank, constructed around 30 years ago is now losing around 10,000 litres of water a week. The condition of the tanks will continue to deteriorate and because of the scale of work involved to replace the tanks, the cost has been included in the adapt and remodel and rebuild option, and not in the basic refurbishment. The adaptation and remodelling cost is estimated at £11,197,794 and includes a sum of £5,398,794 for building life cycle costs.

2.10 In addition to the Council's sports facilities, it is very important to ensure that opportunities for community use of sports facilities on schools sites are pursued as part of the Building Schools for the Future programme and Extended Schools agenda. This includes exploring the potential to accommodate the demand that would arise should there be a reconfiguration, rationalisation or relocation of the Council facilities, to fund the modernisation and long-term sustainability of the service.

2.11 Discussions are already taking place with Officers from Planning and Property Services, the University of Derby and the Developers Consortium, about the community use of the swimming pool at Mickleover. The pool has an important role to play in the development of swimming and physical activity in Derby.

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Background papers:	Report of Cabinet Member – Sports facilities development plan
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

- 1.1 The investment needed for the basic refurbishment and to maintain the Council's sports centres over a 25 year period has been costed at £18,671,670. This includes £10,739,666 for building life cycle costs and £1,000,000 for the replacement of major sports equipment. The existing services maintenance budget that has been transferred to Property Services for sports centres is around £80,000 a year, equivalent to £2 million over the building life cycle.

The opportunities that may arise through the approach referred to at paragraph 2.9 is unlikely to fund the basic refurbishment of sports centres and the long term building life cycle costs.

- 1.2 The investment needed to modernise, improve and maintain all of the Council's sports centres over a 25-year period, has been costed at £37,774,525. This includes £15,858,525 for building life cycle costs and £1,000,000 for the replacement of major sports equipment. Regardless of the opportunities that may arise through the approach referred to at paragraph 2.9 above, this level of investment is not affordable.
- 1.3 Given the significant and competing demand for capital to invest in buildings across the Council, the only way of sourcing the necessary funds to modernise, improve and sustain sports centres in the long term, is likely to be dependant upon:
- the reconfiguration, rationalisation and/or relocation of existing provision
 - securing external funding and/or capital through self-financing schemes
 - joint ventures and partnership working.

Legal

- 2.1 Planning permission will not be granted for development which would involve the loss of land previously or currently used for sports or recreational purposes, including playing fields associated with educational establishments unless:
- the facilities now provided can be fully retained or enhanced through the development of only a small part of the site; or
 - the alternative provision of another site of the same or better facilities in terms of community benefit is implemented before the commencement of development; or
 - it is demonstrated to the satisfaction of the City Council that the site is not required to be retained for sports or recreational purposes and there is excess of suitable sports pitches and open space provision in the area
- 2.2 There are also other issues with the land being open in nature, which would impact on other planning policies.

Personnel

3. No personnel implications arising from this report

Equalities impact

4. No equalities implications arising from this report