

**Leisure Facilities Strategy – Update and forward plan**

**SUMMARY**

- 1.1 In January 2010, Cabinet approved £58m of council borrowing and external funding to deliver the Leisure Facility Strategy (LFS) to replace the Council's existing facilities with new modern sport and leisure facilities, which 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 has now been completed. Phase 2 was to develop a 50m Pool hub; Phase 3 was to develop satellite swimming pool facilities at Moorways and Springwood Leisure Centres.
- 1.3 Council Cabinet, in October 2013, decided as part of the Medium Term Financial Planning process, to defer the remaining phases by one year. In addition, there was a review of all capital projects within the Council as part of the budget process for the forthcoming financial year(s).
- 1.4 A review of the LFS has been requested by the Leisure Project Board. This review reflects the progress made in delivering the LFS and identifies options to aid decisions to be taken on the remaining phases.

**RECOMMENDATIONS APPROVED AT THE LEISURE PROJECT BOARD 26 MAY 15**

- 2.1 To agree the establishment of the project team to develop the swimming pool options A, C, D and E further as the next phase of the LFS.
- 2.2 To agree the release of £40,000 from the Leisure Revenue Reserve to appoint the necessary expert advisors to develop the options and provide estimated build costs. It should be noted that the council does not have this expertise in house.
- 2.3 To agree to the next steps for the LFS (paragraphs 7.1 to 7.11)

**REASONS FOR RECOMMENDATION**

- 3.1 To provide direction on the next phase(s) of the LFS in order to progress the replacement of the Council's swimming pools with new modern facilities that meet

the future needs and political aspirations of the city.

## SUPPORTING INFORMATION

4.1 The approved hub and satellite approach is a five year plan which was to be implemented on a phased basis with priority being given to the hub facilities at Derby Arena and to the development of a 50m Pool.

### 4.2 **Derby Arena (Phase 1)**

The accommodation includes a 250m indoor Velodrome; 13 court sports hall inside the track; fixed and temporary seating catering for sport and cultural events up to 5,000 spectators; health and fitness; flexible studio space; café; meeting rooms; changing facilities and car parking. A 1.5 km – 2km outdoor closed race cycle circuit was also due to be part of the facilities provided.

With the exception of the closed race cycle circuit (separately funded and subject to a separate planning permission application) the Derby Arena has been completed and opened to the public on 20 March 2015.

### 4.3 **Derby 50m Pool (Phase 2)**

To develop phase 2, the Council purchased the Riverlights site in order to build the new 50m pool. Following competitive tenders MACE was appointed as the Project Management and Design team to develop the design and subsequent construction of the 50m pool. The Pool design progressed to RIBA stage C+, however, the estimated cost for the building at £21.7m was greater than the £20m budget set aside to deliver this phase of the LFS.

Over and above the £21.7m estimated cost there were additional costs to be considered for the gym equipment; automatic drowning detection; underwater lighting; pool covers; underground lane rope storage; platform lift; privacy screens; audio visual equipment; kitchen extraction; café and loose furniture.

The estimated cost included the accommodation, project management fees, design fees and contract contingency.

Concerns were also raised about lack of car parking provision.

- 4.4 The accommodation, originally proposed, included a 50m Pool (which divides into 2 x 25m pools for flexibility); leisure water; teaching pool; health and fitness gym; flexible studio space; spectator provision; café; wet and dry changing; Lifestyle services for nutrition, weight management etc., and a specialised area for people with disabilities and car parking.

At that stage, the project exceeded the planned budget therefore further Value Engineering and/or a reduction of some elements would have been necessary to bring the project within budget. In addition the overall size of the building left insufficient car parking provision on the Riverlights site for which an acceptable solution had not been identified.

#### 4.5 **Moorways and Springwood Sports Centres (Phase 3)**

Phase 3 included proposed developments of the satellite facilities at these centres.

**Moorways.** To replace the existing swimming pool with a new 25m x 6 lane pool; health and fitness accommodation; wet and dry changing facilities and a small café area.

The LFS included the retention of a resurfaced athletics track, the work for which has been completed, and retained the outdoor sports facilities.

The LFS also approved closure of Moorways Sports Centre once the Derby Arena was fully operational; this took place on 31 March 2015.

**Springwood.** To extend the existing Leisure Centre with a 25m x 6 lane pool and alterations to the changing accommodation.

- 4.6 By implementing the LFS the Council planned to provide the next generation of leisure facilities to meet the needs of the city for the next 30 to 40 years.
- 4.7 In addition to the Council's investment of £54m there was an expectation that £4m via external funding would be secured. To date £3m of external funding has been successfully secured from Sport England's Iconic Facilities Fund. Efforts are continuing to secure the balance of £1m.

- 4.8 In terms of revenue, as part of the overall budget efficiencies required by all council services, the budget to manage and operate the Council's Leisure Facilities has reduced since the LFS was approved in 2010.

This reduction has been achieved by reviewing leisure centre management, staffing levels, increased income and the withdrawal from managing Derby College and Shaftesbury Sports Centres. In effect, the Council has reduced resources and created a more commercial approach to managing its facilities.

In 2009/10 the leisure centre management subsidy was £1.89m. At the conclusion of the LFS, in 2017/18, the subsidy is planned to be £1.8m. Specialist consultants employed to undertake a detailed study of the LFS considered the subsidy could be reduced to £1.5m p.a. in the first mature year following the completion of the whole LFS. (these figures require inflationary increases over a 5 year period to bring them in line with 2015 costs)

The Board should note the overall leisure revenue budget savings to date; means that once the associated revenue costs for the delivery of a new swimming pool are determined, a budget will need to be created; the amount of this will be dependent on which option is chosen.

- 4.9 Cabinet Member briefing, 31 March 2015, considered the above and requested the following –

1. Should aim to provide the 2028 water space provision requirements to meet the anticipated demand in the Sport England report of 3,100 sq. m.
2. Agreed in principle that the vision for the city is to have a 50m pool at Moorways with a small training tank and a small gym to complement the water space.
3. The Springwood Leisure Centre Pool vision should remain an option that is kept open.
4. Some more thought is required on where the revenue could come from for the feasibility work.
5. The Leisure Water is to be prioritised in the next 5 years – funding permitting. Possibilities for locations for leisure water and a 25m x 8 lane tank are to be explored by officers.

## **CURRENT POSITION**

- 5.1 In addition to the deferment of the LFS, closure of the Assembly Rooms, due to the recent fire, may have possible implications for the future of the LFS due to the potential availability of capital funding.
- 5.2 The design development of the Riverlights 50m pool identified limitations on the number of onsite car parking spaces to support a leisure facility of this size and scale. An acceptable solution for car parking was not identified for this site.

- 5.3 The Leisure Strategy Project Board, September 2013, noted the design of the 50m Pool on the Riverlights site had progressed to RIBA Stage C+ with an estimated cost of £21.7m. This was outside the budget available for this venue.

In view of the cost estimate overrun and additional costs of the items identified in 4.3 above there is a need to review the swimming pool provision as part of the LFS. This will be necessary to contain overall costs and to be able to offer possible options for the LFS Phase 3. To achieve this, a target of between £15m and £18m for a new 50m pool has been suggested.

- 5.4 Following the Leader's announcement, at the beginning of 2015, that the new 50m pool is to be located at Moorways it is considered this target budget may be achievable on this site due to the less onerous site conditions and recent advances in modular design solutions that have reduced building costs. However, there may also be alternative site locations that could be considered e.g. Queen's Leisure Centre site, other city centre locations and Derby University (Joint Venture). A steer is required on whether these should be explored. Appendix 4a and 4b indicate possible city centre locations identified as part of the City Centre Masterplan 2030.

- 5.5 Sport England's report on the Strategic Assessment of Need for Swimming Pools (December 2013) has identified that the city will require 3100sqm of water space in order to meet projected future demand by the year 2028. This assessment takes into account public and private swimming provision and the projected population growth to the South of the city over this period. The review of pool options should aim to take into account this projected water space demand.

This assessment also highlights the need to consider the areas of unmet demand within the city. Most notably this identified an area to the South of the city as the highest unmet demand which should ideally be taken into account as part of this review.

- 5.6 Decisions on future major capital schemes should bear in mind the position of the Council 5% expenditure tax threshold. Further information on this important issue should be sought from the Council's Taxation Manager.

<b>SWIMMING POOL OPTIONS (tabular matrix shown at Appendix 2)</b>
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- 6.1 The DCC swimming pools, approved within the original LFS, would have provided 1,755sqm of waterspace (Appendix 2, line 2). These together with other swimming pool providers create a total of 3,173sqm water space; this exceeds the Sport England demand assessment for the year 2028 by 73sqm.

Following the Leaders' announcement and the recent Cabinet member briefing a number of options for Moorways have been considered.

Moorways has a number of benefits owing to its ring road location thus facilitating car access; provides one large destination for the city; compliments the other sporting facilities on the site; will provide revenue savings and could be considered preferable to a city centre location.

- 6.2 Each Moorways option will require a new procurement process to enable the appointment of a project manager and design team.

- 6.3 All of the Moorways options provide the following advantages-

Re-establishes the profile of Moorways as a major sporting venue.

Build cost may be reduced due to the less onerous site conditions and improvements in modular design solutions.

The co-location with the athletics track brings the added benefits for biathlon and triathlon competitions.

Potential to resolve car parking issues at Riverlights site, however, some alterations may be necessary dependent upon swimming pool location.

Moorways is well placed to meet future growth to the South of the city.

Opportunity to link with wider Osmaston regeneration developments such as OSCAR.

- 6.4 **Moorways Option A** (Appendix 2, line 3)

This option would provide a 50m pool and a learner pool and has been developed in more detail following the initial political steer before the recent Cabinet Member briefing.

To meet water area demand by the year 2028 there may be the need to consider a further 25m pool in the city centre together with leisure and learner pools to replace Queens Leisure Centre. A swimming pool at Springwood Leisure Centre could be considered at a later stage.

- 6.5 **Option A - Possible facility mix**

50m Pool with moveable boom to form 2 x 25m pools; constant depth 1.8m	Moveable floor to one half of main tank
Seating for 350 spectators	20m (or 25m) x 4 lane warm up/warm

	down/teaching pool; constant depth 1.2m
80 – 100 station health and fitness gym	Vending café seating/viewing area
2 No flexible studio spaces (possible sprung floors)	Wet/dry changing; first aid/doping room
300m <sup>2</sup> specialised area for people with disabilities	Poolside storage, timing/officials room, competitor seating
Lifestyle services for nutrition, weight management etc.	Reception/Management office/staff room
80m x 4 lanes enclosed winter training athletics track with run-off and margins	Plant room; general storage; cleaners; refuse; deliveries

Further options at Moorways have been considered in conjunction with a steer from the Leisure & Culture Cabinet member as follows -

**6.6 Moorways Option B** (Appendix 2, line 4)

This option would provide a 50m x 8 lane pool with leisure and learner pools at Moorways and a 25m x 6 lane pool at Springwood Leisure Centre.

**6.7 Moorways Option C** (Appendix 2, line 5)

This option would provide a 50m x 8 lane pool; 25m x 6 lane pool; leisure and learner pools at Moorways. Swimming pool at Springwood Leisure Centre would be considered at a later stage.

The leisure pool at Moorways would provide a major leisure attraction outside of the city centre and therefore may not achieve the associated tourism and economic benefits.

**6.8 Moorways Option D** (Appendix 2, line 6)

This option would provide a new, Olympic size, 50m x 10 lane pool; leisure and learner pools. The main pool (25m wide) creates the opportunity of providing 3 separate 25m long pools thus creating maximum flexibility. The swimming pool at Springwood Leisure Centre would be considered at a later stage.

**6.9 Moorways Option E** (Appendix 2, line 7)

This option extends option D further by incorporating a 25m x 6 lane pool used for warm up/warm down during major competitions.

<b>NEXT STEPS</b>
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To establish a project team to develop and report back to this Board on the following-

- 7.1 To review previous client requirements/project brief and estimated costs to include any updated NGB guidance etc. for the 50m pool and leisure water.
- 7.2 To request feedback for locating the leisure water option at Moorways.
- 7.3 To develop optional site layouts for the Moorways site and identify, if possible, land surplus to requirements.
- 7.4 To decide whether to consider possible alternative site locations; para 5.4.
- 7.5 To consider alternative procurement routes for both the initial design and subsequent build processes. This to include Traditional, Design & Build, and Design, Build, Operate & Maintain (DBOM) opportunities.
- 7.6 To develop possible optional arrangements for the ongoing management of the facility.
- 7.7 To explore any grant aided opportunities.
- 7.8 To determine the extent, need and estimated costs of external assistance in developing the next steps.
- 7.9 To consider the associated revenue budget to operate and manage the new facility.
- 7.10 To consider the need and extent of consultation with stakeholders to enable views to be included as the design solution develops.



7.11 To re-establish the governance arrangements and receive reports on the above.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Andy Jones, Principal Accountant  Claire Davenport, Director of Leisure and Culture
For more information contact:  Background papers: List of appendices:	Derek Jinks 01332 642001 <a href="mailto:derek.jinks@derby.gov.uk">derek.jinks@derby.gov.uk</a> Andrew Beddow 01332 641230 <a href="mailto:andrew.beddow@derby.gov.uk">andrew.beddow@derby.gov.uk</a> None Appendix 1 – Implications Appendix 2 – Moorways Options - matrix Appendix 3 – Moorways – aerial photograph Appendix 4a+ 4b – Possible city centre sites (Masterplan 2030)

## Appendix 1

### IMPLICATIONS

#### Financial and Value for Money

- 1.1 The Director of Finance and Procurement will be consulted on these proposals once a steer is determined.

## **Legal**

- 2.1 The Director of Legal and Democratic Services will be consulted on these proposals once a steer is determined.

## **Personnel**

- 3.1 None arising directly from this report.

## **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.

## **Property and Asset Management**

- 8.1 The Head of Strategic Asset Management and Estates and the Head of Property Design and Maintenance will be consulted on these proposals once a steer is determined.

## **Risk Management**

- 9.1 A risk log will be developed for this project and updated as events and decisions are reached.

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

- 10.1 To meet the Council Plan 2015-18 vision and priorities

Derby Leisure Strategy		Swimming pool provision				Water space provision and demand m2				26 May 2015	APPENDIX 2		
	Typical 300m2 pool = 25m pool x 6 lanes @2m wide					Proposed Riverlights 50m pool = Main tank 925 + Leisure 150 + Learner 80 = 1155				<b>Current Demand</b>	<b>Demand Year 2028</b>		
	Typical 400m2 pool = 25m pool x 8 lanes @2m wide					Private provision = David Lloyd 325 + EZE Fitness 150 + Virgin 260 + DW Sports 162 = 897				<b>m2</b>	<b>m2</b>		
										2746	3100		
		<b>DCC POOLS</b>				<b>OTHER PROVIDERS</b>							
		Queens	Riverlights/ City Centre	Moorw ays	Springw ood	<b>DCC Total</b>	Lonsdale	Woodlands	Gayton	Private provision	<b>Grand total</b>	Difference	Difference
Line 1	<b>Current water area m2</b>	751	0	703	0	1454	225	160	136	897	2872	+126	-228
Line 2	<b>Current Leisure Strategy</b>	0	1155	300	300	1755	225	160	136	897	3173		+73
Line 3	Option A	0	400	925	} 300	1935	225	160	136	897	3353		+253
	Leisure		150	0									
	Learner		80	80									
Line 4	Option B	0	0	925	} 300	1455	225	160	136	897	2873		-227
	Leisure		0	150									
	Learner		0	80									
Line 5	Option C	0	0	925	} 300	1755	225	160	136	897	3173		+73
			0	300									
	Leisure		0	150									
	Learner		0	80									
Line 6	Option D	0	0	1250	} 300	1780	225	160	136	897	3198		+98
	Leisure		0	150									
	Learner		0	80									
Line 7	Option E	0	0	1250	} 300	2080	225	160	136	897	3498		+398
			0	300									
	Leisure		0	150									
	Learner		0	80									



**Option 5 area 115731msq**

**Appendix 3**



City Centre Swimming Pool (possibly with Leisure water) May 2015

## Appendix 4a

Possible sites – from City Centre Masterplan 2030

All DCC ownership; except site H

A	Riverlights	Possible – smaller leisure pool footprint; increased parking spaces Planning approval; mixed use, apartments, retail and leisure. Possible transport interchange.
B	Market Hall	Long term market location. Markets appraisal – June 2015
C	Eagle Market	Possible – linked to ‘Intu’ considerations. Markets appraisal – June 2015
D	Assembly Rooms	Possible –medium/long term redevelopment
E	Becket Well	Possible – link with Debenhams site and Intu negotiations – possible parking. Potential cultural centre, pool, affordable housing.
F	Sadler Square (St Mary’s Gate)	Major redevelopment site – initial commercial interest being shown
G	Queen Street Baths	Possible – demolish and new build Potential commercial/mixed use – long term option
H	Nightingale Quarter (DRI site)	Owned by Hospital Trust – Outline planning approval; mixed use; 400 houses; supermarket; extra care; leisure

Private sector/mixed ownership sites

1	Full Street	Phase 1 – 47 apartments and 195 bed hotel, currently being built Phase 2 – potential mixed use; residential; offices; hotel
2	One Derby	Planning approval – 50,000m2 offices + 600m2 retail + 104 bed hotel
3	Castleward	Outline approval – 800 houses
4	North Riverside	Potential mixed use - Offices; Car/Coach Park; Arts venue; pedestrian bridge. Iconic building
5	Friar Gate Goods Yard	Planning approval – supermarket + 500 houses + large existing listed building
6	Friar Gate Square	Planning approval – 9,500m2 offices + 500m2 retail

7	Central Square	Planning application – 350 bed student accommodation
8	Citygate House	Planning approval – 7,700m2 offices + 350m2 retail
9	East Street-Albion Street area	Part of core shopping area – pedestrian links

# Key sites

Public ownership:

- A** Riverlights
- B** Market Hall
- C** Eagle Market
- D** Assembly Rooms
- E** Becket Well
- F** Sadler Square
- G** Queen Street Baths
- H** Nightingale Quarter

Private sector/mixed ownership:

- 1** Full Street site
- 2** One Derby
- 3** Castleward
- 4** North Riverside
- 5** Friar Gate Goods Yard
- 6** Friar Gate Square
- 7** Central Square
- 8** Citygate House
- 9** East Street-Albion Street area





