

CABINET

12 February 2014

THE OVERVIEW AND SCRUTINY COMMITTEE

17 February 2014

RIVER PARK LEISURE CENTRE REPLACEMENT OPTIONS

REPORT OF THE CORPORATE DIRECTOR

Contact Officer: Steve Tilbury Tel No: 01962 848 256

RECENT REFERENCES:

CAB 2505 - Cabinet 11 September 2014

EXECUTIVE SUMMARY:

The report suggests that following widespread public debate, and in accordance with the Council's normal processes for major projects, further investigation should be carried out of three possible locations for a replacement for the River Park Leisure Centre. In view of the position statement from the University of Winchester as expressed in the letter received recently from the Vice Chancellor it is suggested that as well as the Cabinet's previously agreed facility mix, the option for a facility including a 50m pool should be tested at each location. This will provide further detailed information to add to the advice from consultants which has already been received and to the representations which have been made by users, sports clubs, and residents and elected Members. A full report will be made later in the year so that Members can reach a decision on the preferred approach to meeting Winchester's future sports facility needs. A short explanation of the Council's contractual position with DC Leisure is included for information.

The recommendations take account of Cabinet's aim to ensure that Winchester has high quality and affordable indoor sports facilities available to the public on a long term basis, and of the comments of The Overview and Scrutiny Committee at its meeting on 23 September 2013.

RECOMMENDATIONS:

It is recommended that:

- 1 Cabinet confirms the replacement of the existing River Park Leisure Centre as the preferred approach to long-term leisure facility provision.
- 2 Officers undertake further technical work and discussion with stakeholders in sufficient detail to allow the Council to determine in due course whether the location of a new facility should be
 - i. at Bar End.
 - ii. on the site currently occupied by the River Park Leisure Centre and surrounding facilities at North Walls.
 - iii. on land at North Walls currently occupied by the tennis courts, artificial pitch and the minimum necessary additional land adjacent to those courts whilst permitting the retention of a functional cricket pitch or other pitches.
- 3 Cabinet confirms that the facility mix to be used for the technical work and financial modelling purposes should be that agreed by Cabinet in September 2013 and a similar mix also encompassing a 50m pool.
- 4 The contents of the letter attached as Appendix 1 from the University of Winchester be noted and that further discussion take place with the University to clarify its offer and the implications thereof.
- 5 Officers continue to discuss with Hampshire County Council how they can support the development of new leisure facilities.
- 6 A further attempt be made to clarify the position of Tesco in relation to their land holding at the Garrison Ground.
- 7 Further discussions take place with representatives of the Pinder Trust with a view to incorporating hydrotherapy facilities in any replacement facility
- 8 Cabinet welcomes the establishment of the River Park Leisure Centre ISG and encourages Members to contribute any views on the project or leisure provision in Winchester to that Group so that they can be included in the ISG report.
- 9 A comprehensive report be prepared for consideration by Cabinet, The Overview & Scrutiny Committee and Council later in the year on which a final decision will be made as to how to proceed.

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DETAIL:

1 Introduction

- 1.1 At its meeting on 11 September 2013 the Cabinet considered a report (CAB 2505) which recommended that the replacement of the existing leisure centre could be justified as the best way to ensure the long term availability of indoor public leisure facilities. This recommendation was based on the advice received from the consultancy Continuum in their report to the Council (available on the Council's website) and having regard to the cost of repair and maintenance to the existing building identified by the Head of Estates based on reports and surveys commissioned from external consultants.
- 1.2 Cabinet also agreed a list of facilities which should be the starting point for evaluating options (Para 2.2 of CAB2505). In this report, this list is referred to as the 'facility mix'.
- 1.3 Report CAB2505 recommended that North Walls be identified as the preferred location for replacement facilities. It did not rule out Bar End, the other location which has been widely proposed, but did note the significant practical difficulties that Bar End presents. The most significant of these is that of assembling land which is in multiple ownerships and of accommodating the parking and access requirements of a new facility.
- 1.4 Since consideration of the report, there have been a number of meetings, including a very well attended event in the Guildhall and a public consultation exercise to gauge opinion and to help inform the decision making process. There has also been some technical work to inform that consultation although this has been limited by Cabinet's concern not to spend significant amounts of money on considering options which are not pursued. The Overview and Scrutiny Committee meeting in September also made comments on report CAB2505, which are attached in Appendix 3.
- 1.5 The position of a number of important stakeholders following the Council's consultation exercise can be summarised as follows:

- i. The 'Save the Rec' group, an informal group which has held meetings in Hyde, created a website and made representations to the Council, has stated its opposition to any building of new facilities at North Walls except on the existing site of the leisure centre. The group objects to the loss of any green space but not to the idea of a replacement facility.
 - ii. The Fit for the Future umbrella group of sports clubs continues to argue that the only solution which the City Council should consider is a regional leisure centre including a 50m pool located at Bar End. Fit for the Future believes that this is a fitting 'legacy' project and will best serve the needs of Winchester and the wider region in years to come.
 - iii. The University of Winchester supports the provision of ambitious new facilities at Bar End. The University has previously stated that it has no funding available to support such as project, but in a letter from the Vice Chancellor to the Leader received on 21 January 2014 the University has changed its position and now states that it would be able to provide 'significant' capital. This is attached as Appendix 1. The offer comes with specific requirements and these are considered below.
 - iv. The County Council does not have a direct role in funding district council sports facilities and has no proposals for any type of regional sports facility to which it will provide funding. It has been indicated that the County Council are not in a position to provide direct financial support to City Council for replacement leisure facilities but they are willing to discuss the possibility of County Council land at Bar End being included in an options appraisal.
 - v. No approach has been made by any governing body of a sport with any request that a particular facility is included in the City Council's plans nor have any offers of funding been received. The Amateur Swimming Association remains neutral on whether a 50m pool should be provided, taking the position that this is a decision for the City Council. They have no strategic requirement for a 50m pool in Winchester nor can the ASA offer any funding.
 - vi. Tesco, the owner of land at Bar End, has been directly approached to state its position relating to the disposal of land to facilitate development at Bar End but has not replied. A further approach will be made to Tesco in the hope of a meaningful response.
- 1.6 There have, of course, been many individual comments and representations on the issue of a replacement facility, including a local resident's proposal for a large scale facility on the existing leisure centre site, which is presented as being an extensive refurbishment. The consultation process undertaken by the Council at the end of November 2013 provided the opportunity for everyone interested in the issue to comment. A summary of the consultation responses is attached as Appendix 2. Members will wish to draw their own conclusions from them but should take all representations into account.

2 Next Steps

- 2.1 Clearly no consensus has yet emerged regarding the form or location of a new facility. Some of the strongly voiced public opinions are directly contradictory and others argue for new facilities which the Council may find difficult to afford. The problem is solving the dilemma of Winchester being a small city with limited resources of land and finance but significant expectations of the facilities that should be available to residents.
- 2.2 There is, however, strong support for the argument that the replacement of the existing building with facilities which are larger and able to provide high quality facilities into the future would be a better approach than to spend significant sums on a like-for-like refurbishment of River Park. If the Council wishes to have more and better public swimming and other sports facilities, a more environmentally sustainable operation and lower running costs into the future, then replacement is the more obvious way to achieve this. However, it cannot yet be determined whether this is affordable and refurbishment may have to be reconsidered as an option at a later date.
- 2.3 Before the Council can take a decision on the location of a replacement facility, it is essential that it has more information and detail regarding the implications (including cost) of any particular location.
- 2.4 The recent letter from the University of Winchester does suggest that capital funding might be available for a larger facility than that contained in the facility mix agreed by Cabinet. The University does not specifically mention a 50m pool but previous conversations suggest that they would wish to see this option tested as part of any negotiations. It seems prudent therefore to undertake a further and detailed evaluation of the practical implications (including cost) of delivering a facility including a 50m pool, to assist in this discussion. Although the University has expressed an interest only in Bar End, the potential for such a facility at North Walls should also be considered for completeness.
- 2.5 It is therefore suggested that Cabinet agree as follows:
- i. that replacement of the existing leisure centre is preferred to the option of like-for-like refurbishment of existing facilities.
 - ii. that the facility mix for any new facility should be broadly in accordance with that set out in CAB 2505. The option of a 50m pool should also be tested at each location.
 - iii. that officers identify the issues raised by locating a new facility at
 - Bar End
 - on the existing block of land occupied by built facilities at North Walls

- on land occupied by and adjacent to the existing tennis courts and five a side pitch at North Walls whilst retaining a functional cricket pitch or other pitches.
- iv. that a comprehensive report be prepared for consideration by Cabinet, The Overview & Scrutiny Committee and Council later in the year on which a final decision will be made.
- 2.6 In order to prepare a final report a number of further technical reports will be needed. It may also be necessary to commission some more detailed work on building layout to test these options, in particular to understand the implications of attempting to rebuild in-situ and of differently sized facilities. The total cost of this work should not exceed the budget provision already made in CAB2505.
- 2.7 It is recommended that the proposed technical work be completed before the Council undertakes any further public consultation. However, it will be important for officers to discuss the options with sports clubs, governing bodies, the University, the County Council and other stakeholders. Such discussions will not pre-empt any decision making by Members but are necessary in order to provide a full picture. Members will wish to consider what form of public consultation should take place once that work has been concluded, to inform a final decision on how to proceed.

3 Management Contract Arrangements

- 3.1 The River Park Leisure Centre is managed for the Council by DC Leisure Management. In 2009, the Council agreed to extend its existing contract with DC Leisure (which had been due to expire in 2011) until 2023. As part of the agreement DC Leisure took over responsibility for managing the Meadowside Leisure Centre in Whiteley (which had previously been operated at a cost directly by the Council) in 2010 and the total management fee for both facilities was set at £nil. There was therefore a considerable cost saving to the Council as a result of these arrangements. The Council took advice from external leisure consultants and external legal advice before entering into these arrangements.

In 2009 the Council had no plans to replace the leisure centre. It has been agreed with DC Leisure that in the event that the Council wishes to replace the current facility, it will seek to negotiate with DC Leisure for the management of the new facility (to the extent this is legally permissible). If satisfactory terms cannot be reached, the management contract would then be tendered. If DC Leisure does not manage the new facility, it has been agreed that the Council will only be liable to meet depreciation charges on DC Leisure owned equipment, and maintenance contract charges (until these maintenance contracts expire or can be terminated). In this way, the Council's liability is limited significantly, and this can be taken into account when budgeting for any new facility.

3.2 DC Leisure has no right to determine what facility is built or where it is built. The Council has consulted with and kept DC Leisure fully informed of its thinking because DC Leisure has expertise in facility procurement and operation which it would be unwise to ignore, and because staff working at River Park have a reasonable expectation that they will be kept informed.

4 Town and Village Green Application.

4.1 The Council has been notified by the County Council (the Registration Authority for Commons and Village Greens) that an application has been lodged to register North Walls Recreation Ground as a Village Green. The application covers the Cricket Pitch and other areas around the existing Leisure Centre, but not the building itself, nor the car park and tennis courts.

4.2 The City Council does not accept that such a registration should be made by the County Council, on the basis of current case law on such matters, and it will therefore be resisting the application. The County Council is awaiting the results of a case in the Supreme Court which is due to be heard in March 2014, after which the position will be clarified.

OTHER CONSIDERATIONS:

5 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

5.1 The provision of public sports and leisure facilities is a contributor to health and well being in the community and is therefore compatible with the Council's strategic objectives.

6 RESOURCE IMPLICATIONS:

6.1 A decision to proceed with the provision of a new leisure centre would be a highly significant financial commitment which would affect the Council's budget for many years to come. It is not possible at this stage to be sure what level of expenditure would be required or how affordable this is. It is essential that the Council develops its proposals on the basis that they are affordable.

7 RISK MANAGEMENT ISSUES

7.1 The decision as to whether to replace the River Park Leisure Centre would raise significant risk management issues for the Council. A risk management plan will be prepared and reported to Cabinet as part of the decision making process for the project.

8 BACKGROUND DOCUMENTS:

None

9 APPENDICES:

Appendix 1 - Letter from the Vice Chancellor of the University of Winchester to the Leader of the Council 21 January 2014.

Appendix 2 - Response to the consultation exercise on options for the replacement of the River Park Leisure Centre conducted in November/December 2013

Appendix 3 – Extract from the minutes of The Overview and Scrutiny Committee 23 September 2013

From the office of the Vice-Chancellor

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21 January 2014

Councillor Keith Wood
Leader of the Council
Winchester City Council
City Offices
Colebrook Street
Winchester
Hampshire
SO23 9LJ

Dear Keith,

Thank you for your letter of 8th January regarding the University's position on leisure facilities in Winchester.

This is a subject we have been discussing at length recently, as it forms part of our Estates Strategy and indeed our wider strategic and financial planning for the coming years. I have met with senior managers again this week and would summarise our current position as below.

The University's preference would be for a university-managed facility at Bar End similar to the Surrey Sports Park model.

We recognise that a partnership with the City Council and others would have the potential to deliver an impressive suite of sports facilities, including a swimming pool and sports hall, which would be an asset to the whole community. The University would be in a position to make a significant capital contribution to this scheme and we would welcome the opportunity to discuss further a possible development at Bar End on land owned by the University, Winchester City Council, and Hampshire County Council. This may entail relocating the existing all-weather pitch. If we were to be contributing in a significant way to this development, our preference would be to operate the facility on behalf of the community. Such an arrangement might be financially advantageous to the City Council in comparison with your existing arrangements.

We do not consider that a re-development of sports facilities on the River Park site would meet the needs of our students, and cannot envisage that we would wish to make a capital contribution to such a development.

I understand that the provision of future leisure facilities is a major decision for Winchester City Council and one which has wide-ranging implications, both financial and political. We are mindful that discussions on the issue have been ongoing for some time, and that the decision-making process may yet take some time given the complexities involved. However, given the need for the University to remain attractive to students in an ever more competitive marketplace, we would need to establish within this calendar year whether a partnership approach to new facilities at the Bar End site is likely to proceed. If not, our preferred approach would be to invest in new facilities on our main campus which would meet the needs that we have for a larger sports hall to accommodate teaching for our Sport and Education students and our student union-led competitive sports teams.

I would be happy to meet with you or your colleagues to discuss this matter further.



Professor Joy Carter DL
Vice-Chancellor

The Exhibition



The exhibition ran from 18th November to 2nd December 2013

The exhibition was on display at River Park Leisure Centre and Winchester Guildhall

The exhibition panels and all documents were also displayed on the WCC website

WCC Officers and Cllrs were present at the exhibition at the Guildhall on 26 and 27 November



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Options

The options for consideration and comment were:

Option 1 – Refurbishment of existing centre

Option 2 – New build north of existing centre site on the tennis courts and artificial turf pitch

Option 3 – Rebuild partly on the existing leisure centre footprint

Option 4 – New leisure centre at Bar End



Option to rebuild on existing footprint?

At this time rebuilding on the existing site was not an option as:

- It was not considered feasible without loss of facilities for an extended period of time
- It would affect 500,000 centre users each year
- It would be difficult to accomplish building larger facilities on the existing footprint only
- There is a need to consider the possible impact on the indoor bowls centre and the skate park
- This could impact on Council's financial position
- All this considered – this could become an option



Indicative analysis of results

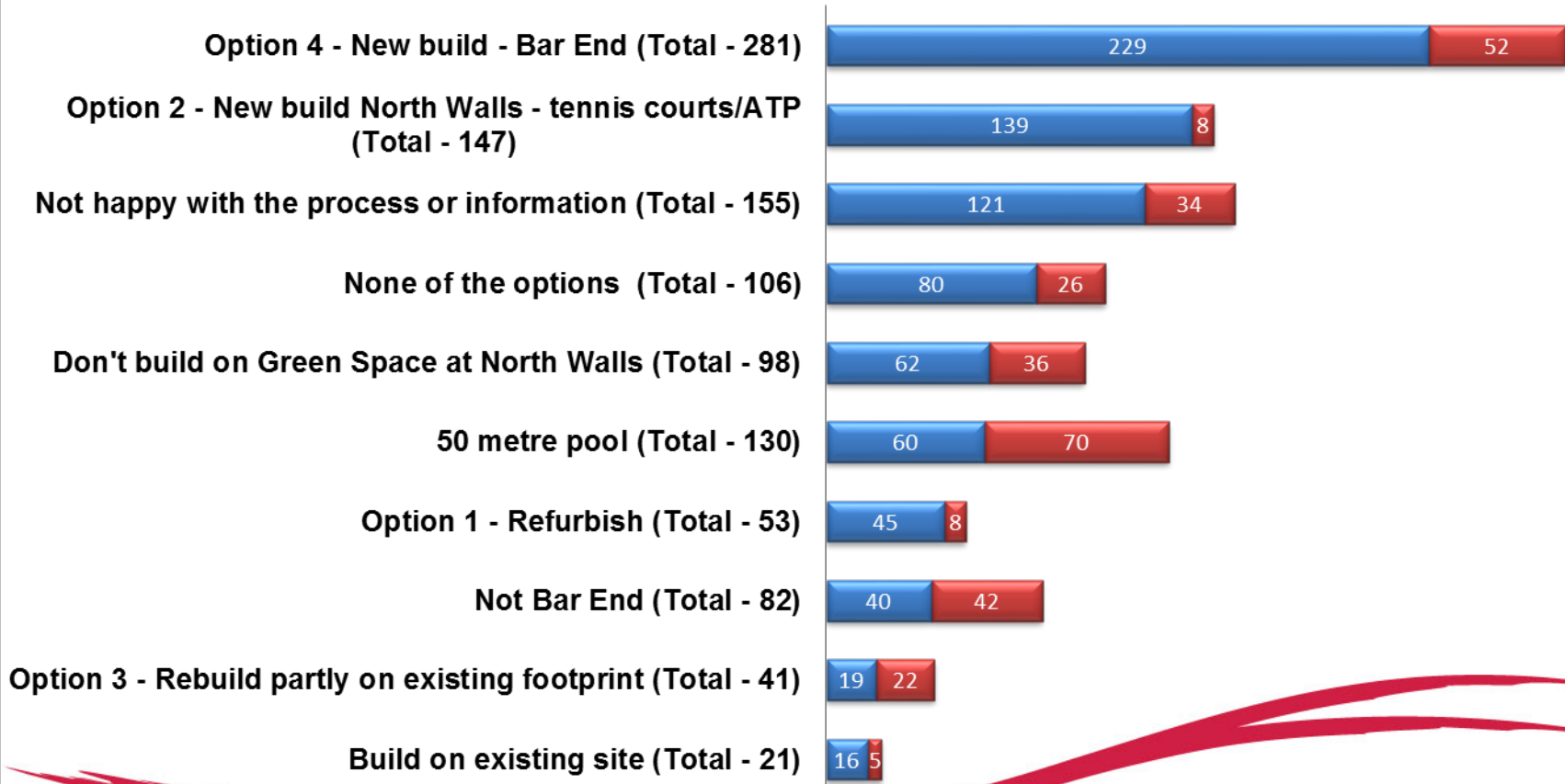
- 876 comment forms were received which were a mixture of paper copies and online submissions
- The top 2 options and or issues were recorded
- Multiple forms that were submitted by the same person were counted as one comment
- Hyde residents and Fit for the Future campaigners – were identified where indicated
- The comments were also broken down into Geographical areas



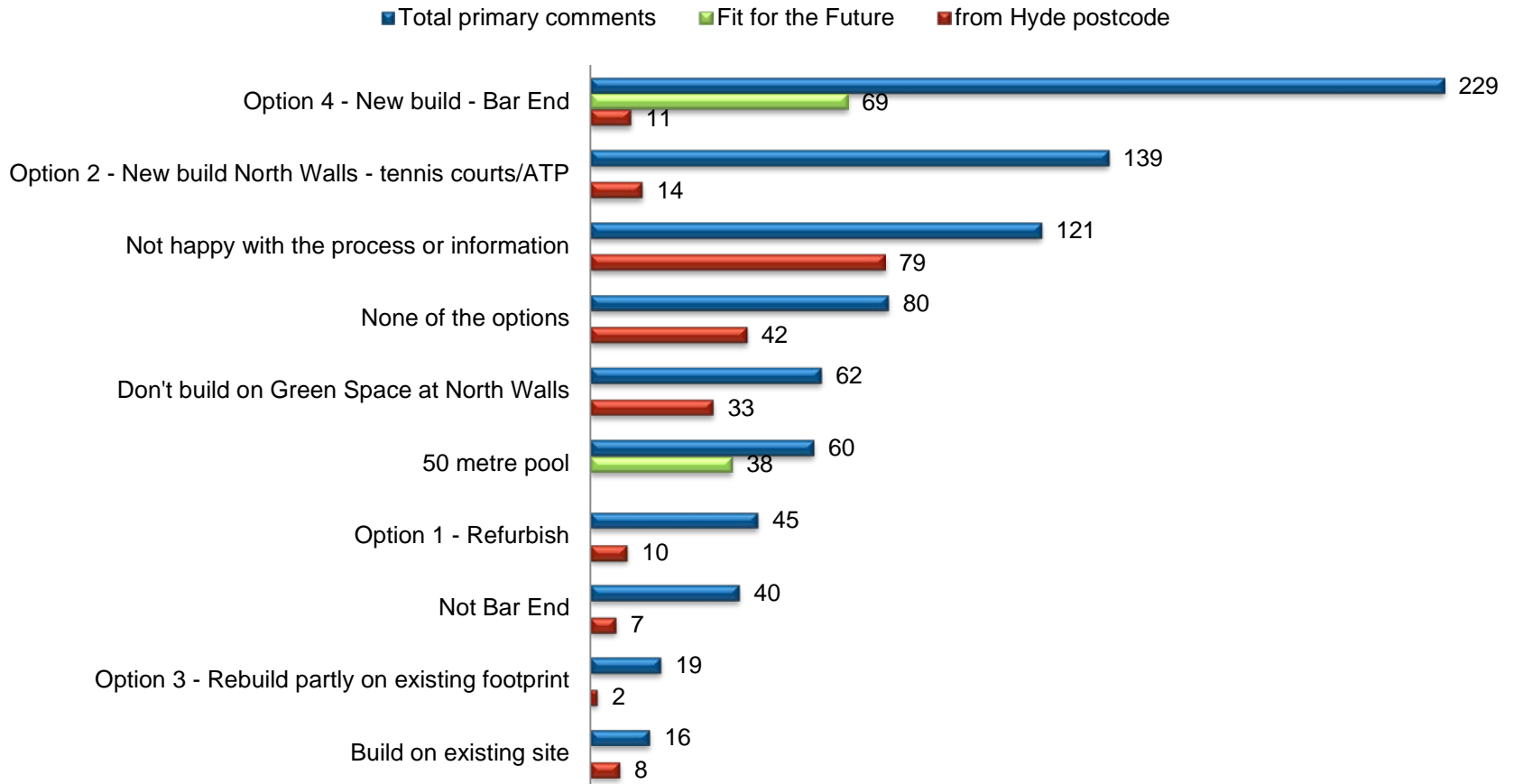
Main Issues/Options

Options and Issues

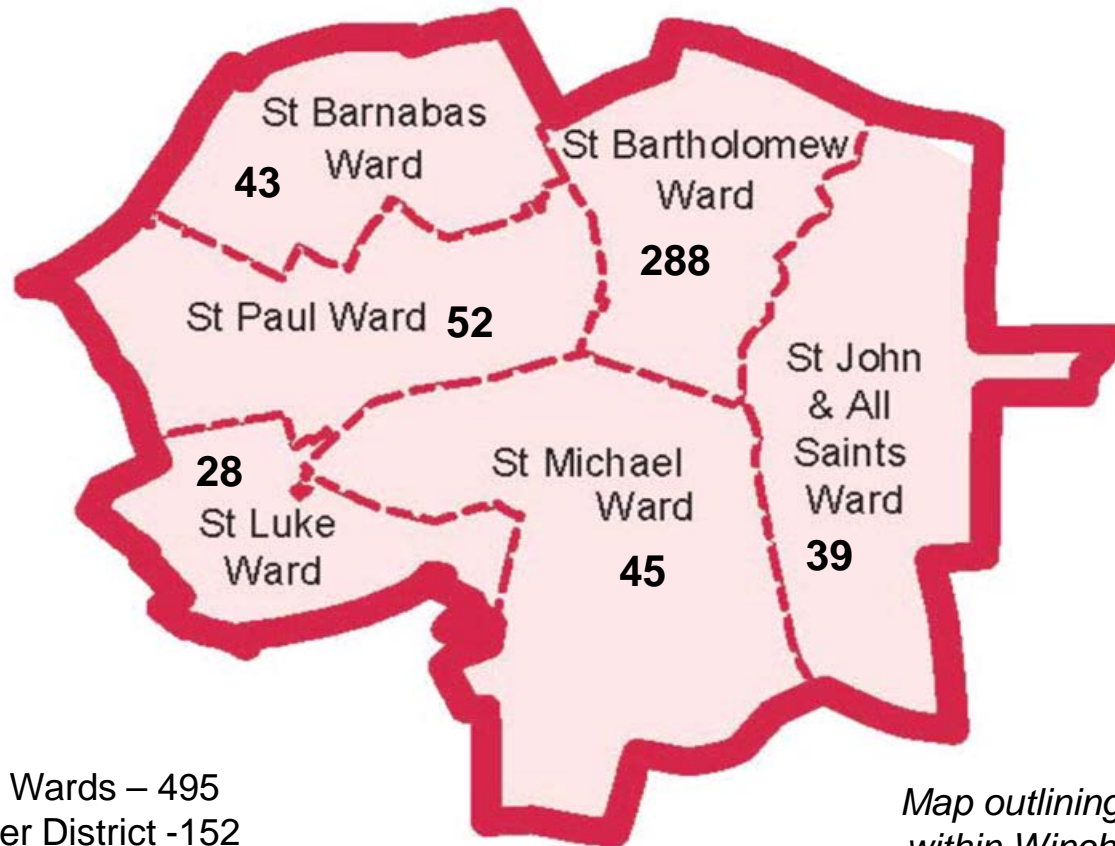
■ Total primary comments ■ Total secondary comments



Interest Groups



Geographical spread of comments



Winchester Town Wards – 495
Rest of Winchester District -152
Outside of Winchester District - 89
No Postcode or Road – 140
Overall Total - 876

*Map outlining the Wards
within Winchester Town*



Winchester
City Council

Clubs/Organisations/Governing Bodies of Sport

The following clubs and organisation submitted comments with a preferred option:

- Fit for the Future - Option 4 – Bar End
- WinACC – Access and Transport/Parking/Landscape and Visual/Sustainability
- Osman Tennis – None of the options
- Friends of Hyde Abbey Gardens – Views/None of the Options/Process
- Amateur Swimming Association - Meeting
- Winchester and District MENCAP – Existing Site
- Worthy's Youth Football Club – Existing Site
- Treasure Gymnastics – Option 4 – Bar End
- Tri Team Wessex – Option 4 – Bar End
- Winchester Judo Club – Option 4 – Bar End
- Riverside Indoor Bowling Club – Option 2 – New Build – Tennis Courts
- Winchester and District Athletics Club – Option 4 – Bar End
- Winchester Hockey Club – Option 4 – Bar End
- St Giles Hill Residents' Association – Not Bar End
- Lawn Tennis Association – Option 2





All the comments received were scanned and placed on the website with identifiable information removed.

Core documents including press statements, cabinet papers and consultant reports and studies associated with the leisure centre project are also available to view on the website

www.winchester.gov.uk/leisurecentreproject



Winchester
City Council



**MINUTE EXTRACT FROM THE OVERVIEW AND SCRUTINY COMMITTEE –
23 SEPTEMBER 2013**

1. **RIVER PARK LEISURE CENTRE – CONSIDERATION OF REPLACEMENT FACILITY**

(Report CAB2505 refers)

Councillor Wood stated that Cabinet had approved the recommendations and drew attention to the significant work undertaken to date which had included analysis of consultation and outcomes of discussions with various partners. It was hoped that a decision as to how to proceed would be made soon. A public meeting was also scheduled for 26 September 2013.

At the invitation of the Chairman, Ms E Back (Winchester Fit for the Future) addressed the Committee and emphasised the importance of on-going investment in sporting facilities. She queried whether due consideration had been given to partnership working so to achieve the best possible outcome, at the least cost to the public. Ms Back suggested that the Council should not just take advice from DC Leisure and that it should engage the expertise of others. Ms Back referred to the core facilities for the new provision as set out at paragraph 2 of the Report and she queried whether these were likely to achieve future key strategic sporting requirements for Winchester. She suggested that additional features should be included, which would provide additional flexibility in the facility for a range of sporting activities. These should include a 50m community pool, a 12 court sports hall and a gymnastic/trampoline facility. The pool could be flexible in terms of its depth and lane usage. She considered that it would be used for 25 hours per week in 50m mode. Finally, Ms Back referred to Bar End as potentially the preferable location and suggested that Savills had not fully investigated all land holdings close by and had seemingly only focussed on the King George V playing fields.

At the invitation of the Chairman, Councillor Laming addressed the Committee. He stated that as the footfall to the existing facility was reasonably modest at 530,000 visits per annum (compared to 700,000 at Fleming Park, Eastleigh). Any increase from an improved facility at North Walls was likely to cause congestion problems due to its town centre location. Councillor Laming also queried whether the Council had explored potential partnership opportunities to help keep future running costs to a minimum.

The Chairman thanked Ms Back and Councillor Laming for their comments and advised that the Committee would have regard to the points raised during its consideration of the Report.

The Chairman suggested that the Committee focus its questioning and discussion on Cabinet's consideration of the following points: the different site options; the mix of facilities proposed; the costs over the life of the new provision; and the future management arrangements.

Councillor Wood responded to questions and clarified that renovation of the existing leisure centre had previously been considered as an option, but was not favoured. With regard to the siting of a newly built provision, he advised that Bushfield Camp had been rejected due to planning considerations and the Cattle Market site was also unsuitable. Bar End did not present the best planning option due its location outside the urban area. In addition, Councillor Wood reminded the Committee that even if Tesco decided to release the Garrison Ground playing fields currently in their ownership, the likely cost implications would be prohibitive. The Committee asked that information on land ownership of all holdings at Bar End be provided, together with planning and highways advice on Bar End and River Park, to inform the final decision.

A Member questioned whether the proposed new facility was too large for Winchester to support and suggested that it would be preferable to renovate the existing building.

Councillor Wood responded to questions related to potential partnership working to deliver a scheme, with the possibility of utilising County Council Museums land holdings close by; however he highlighted that this was not currently available.

The Chief Executive clarified that the City Council, the County Council and the University remained committed to delivering improvements to Winchester's sporting facilities as part of the Olympic legacy. However no financial contributions from potential partners had been made available to support this initiative. The Chief Executive also advised that the proximity of a new centre at Bar End to the M3 motorway was likely to cause concern to the Highways Agency.

Councillor Wood referred to the need for the new Leisure Centre to achieve a good income to the Council. Therefore, seeking professional advice from DC Leisure was appropriate as they were experienced commercial operators. This information was part of an overall package of consultants' advice (also including Savilles and Continuum) and would be analysed further in helping the Council make an informed decision. Furthermore, he reiterated that seeking advice from DC Leisure was not demonstrating any commitment to them to manage the future new centre; rather, its data and expertise would be taken into account, as well as other information, as the Council made its own assessments to ensure that the new facility operated as commercially as possible. Further to this, Councillor Wood stated that he would expect initial cash flow predictions for the new centre to demonstrate that it would make a surplus within five years. The Committee noted that DC Leisure represented a particular model of leisure centre management and that alternatives should also be properly investigated. A future report should also outline the existing contractual arrangements with DC Leisure.

The Committee referred to the financial appraisal within the Continuum Report and was concerned that this was not sufficiently detailed enough to inform any future decision of the Council. The Chief Executive clarified that significantly more work was required in this area. Councillor Wood reminded the Committee that a future facility was likely to be limited in scope due to costs; he did not think the Council could afford a scheme in the order of £25-30 million. The Council was required to strike a balance with regard to what could be afforded, what return could be gained and the provision of a centre that met the majority of residents' needs.

The Committee referred to the financing of constructing a new centre and Councillor Wood reminded Members that a decision to proceed without delay would be necessary in order to take advantage of historically low interest rates for the necessary borrowing which currently could be fixed for the life of the build. An increase in rates might make borrowing too expensive to the Council.

RESOLVED:

That the Leader and Cabinet have regard to the comments of the Committee raised during discussion, as set out above.