

CABINET

11 September 2013

THE OVERVIEW AND SCRUTINY COMMITTEE

23 September 2013

RIVER PARK LEISURE CENTRE – CONSIDERATION OF REPLACEMENT FACILITY

REPORT OF CORPORATE DIRECTOR

Contact Officer: Steve Tilbury Tel No: 01962 848256

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

The report considers the case for the Council to provide a replacement for the existing River Park Leisure Centre with a new building. It summarises the findings of two consultancy reports, the information acquired from a number of site visits to facilities run by other authorities, and discussions with the existing centre operator. The report suggests the core content that should be included in the new facility and the preferred location. It then sets out the next steps in providing the level of detailed information needed before a detailed project can be initiated.

RECOMMENDATIONS:

It is recommended to Cabinet:

- 1 That the option of a replacement for the River Park Leisure Centre be pursued and identified as a financial priority for the Council;
- 2 That the initial core content of the proposed new facility be as set out in the paragraphs 2.2 and 2.3 of the report (which may be subject to change as the

project progresses).

- 3 That the Council continues to seek professional advice from DCL on the process of providing a new facility and consideration be given to appointing an External Advisor to help with this and to advise on the tendering process.
- 4 That, without prejudice to the Council's independent function as local planning authority, land adjacent to the existing leisure centre at North Walls be identified as the preferred location for the new facility;
- 5 That reports covering necessary advice relating to the feasibility and cost of constructing a new facility with the agreed core content at North Walls be commissioned by the Head of Estates and the findings reported to Cabinet as soon as possible;
- 6 That a budget allocation of up to £100,000 (from the Asset Management Plan) be approved for the initial technical reports;
- 7 That the Head of Estates advises Cabinet on the works that will be required to keep River Park Leisure Centre operational until a replacement building is ready;
- 8 That a final decision as to whether to progress the project be made by Cabinet and Council following receipt of the detailed reports.

TO THE OVERVIEW AND SCRUTINY COMMITTEE:

That The Overview and Scrutiny Committee raises with the Portfolio Holder any issues arising from the proposals outlined in this report and considers whether any items of significance be drawn to the attention of Cabinet.

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- 1.1 Like many communities of its size, the indoor sporting needs of Winchester District have been served for many years largely by a single facility built in the mid-1970's. River Park Leisure Centre is typical of its generation of leisure centres, comprising of a mixture of wet and dry facilities set in a constrained but convenient location in the town. It serves a catchment population drawn from both Winchester town and surrounding parts of the District with high levels of participation and a keen interest in quality sporting infrastructure. That interest has been re-energised by the success of the 2012 Olympics.
- 1.2 The City Council has been aware for some time that the cost of maintaining River Park Leisure Centre in Winchester has begun to increase significantly and that major items of fabric and equipment will have to be renewed and replaced. The Head of Estates has recently commissioned a comprehensive maintenance report on the centre and this highlights expenditure that will run into several million pounds as being required if the Centre is to be kept in good condition for the next ten to fifteen years. There is very limited scope for enhancement of facilities as part of that expenditure, which will mean that the facilities available to Winchester residents would not be increased until the Centre was eventually replaced as it would almost certainly have to be in fifteen years or so.
- 1.3 Therefore the question arises as to whether the existing Centre, even in good condition, could continue to meet the needs of a growing population and the increased expectations of users over that period. Although Winchester is not solely dependent on River Park for access to indoor sports facilities, a large scale, publicly provided, sports and leisure centre is critical to the local sports and leisure infrastructure. Large scale expenditure on maintaining a facility which is unable to provide the scope of sports and leisure facilities required over the next ten to twenty years as the District grows would not necessarily be the best use of resources. A better option might be to initiate the replacement of the facility now whilst interest rates are low, spending the minimum necessary on the existing building until it is decommissioned.

- 1.4 Faced with an economic as well as a sporting infrastructure decision, Cabinet agreed to commission a consultants report on the business case for the provision of a new leisure centre in Winchester. The brief for the consultants report specifically required an evaluation of the business case for the provision of a new leisure centre based on a mix of facilities which would be affordable to provide and operate whilst reflecting the reasonable aspirations of the growing community. The consultants were not asked to advise on whether the Council should pursue a new facility rather than refurbish the existing centre.
- 1.5 The report by Continuum Sport and Leisure was received in May 2013 and has been publicly available since then. In summary the report concludes that there is sufficient unsatisfied demand in the catchment population to justify the provision of a facility larger than River Park and that there is significant opportunity to generate more revenue from its operation which could make a meaningful contribution towards off-setting the capital cost incurred.
- 1.6 The report did not identify any specific sport governing body requirements for facilities of a regional nature in Winchester, nor any particular commercial opportunity which might be influential in determining the content of a new facility. In particular the report did not identify any specific Amateur Swimming Association requirement or funding for a 50m pool in Winchester nor any specific reason why a 50m pool should be considered the preferred option beyond the obvious benefit to a relatively small number of club swimmers. However, the consultants recognised that commercial considerations may not be the only ones that the Council wishes to take into account.
- 1.7 Members and officers have made a number of site visits to facilities in Hertfordshire, Surrey, West Sussex and Hampshire to look at the type of facilities being provided in recently built centres, and to learn more about the procurement and management options. Detailed discussions have also been held with the Council's management contractor, DC Leisure, a company which has considerable experience of delivering new build provision as well as in facility management. Careful consideration has been given to the submissions to the Council by the 'Fit for the Future' group including the petition submitted in November 2012.

2 Facility Content

- 2.1 Taking all of the available information and evidence into consideration, it is suggested that the provision of a new facility would be the right course of action if it can be provided in a way which is affordable to the Council. Replacement is a strategically better option than an extensive refurbishment of a building which will remain undersized for Winchester's population and would still need to be replaced in the foreseeable future.
- 2.2 Based on the analysis and recommendations produced by Continuum, it is suggested that the core facilities that should form part of that new provision would be:

- a) 25m ten lane main swimming pool with spectator seating
- b) 20m x 10m teaching pool with an moveable/adjustable floor
- c) Hydrotherapy and rehabilitation pool and ancillary facilities
- d) 8 or 12 court main hall (to be finally determined by cost considerations)
- e) 150 - 180 station fitness facility
- f) 4 dance studios
- g) 4 squash courts
- h) Catering, bar, reception and ancillary facilities
- i) Small sized artificial grass pitches for five-a-side football/training etc
- j) Up to 6 tennis courts
- k) Separate wet and dry changing areas
- l) Café and children's play area

2.3 This proposed list represents a starting point for debate and should not be considered a definitive position. The capital cost and the annual financial contribution of particular elements will influence what can be provided in terms of facilities. Discussions regarding the facility content and the possibility of incorporating one or more specialist facilities, such as the gymnastics facility given consideration in the Continuum report, should continue to test whether they are genuinely sustainable and cost effective. A stakeholder meeting will be held in Winchester Guildhall on 26 September to give the opportunity for further input. The outcome of these deliberations including input from the Town Forum will form part of the next report back to Cabinet.

2.4 The nature and scale of the proposed facilities is supported by the Continuum report and would be very comparable with recent new build facilities in similar towns such as St Albans. One aspect of the proposed content which is likely to be commented on is the recommendation to prefer a teaching pool and 25m 10 lane main pool rather than a 50m pool. Although capable of sub-division and flexible use, a decision to incorporate a 50m into a local leisure facility could only be fully justified if there was likely to be extensive use of the 50m length. Although the City has a strong swimming club which the Council would want to see thriving, the ASA has not identified any strategic requirement on a national or regional basis for a 50m pool in Winchester. Use of the full length of a 50m pool will therefore be 'home-grown' and of benefit only to a relatively small number of competitive swimmers. In general 'public' 50m pools operate in 50m mode for only a few hours a week and are usually subdivided. Although this offers a large amount of water area, against this must be weighed the additional capital and revenue costs, its impact on the

overall footprint of the building and the environmental considerations of operating the additional pool area. The ability to sub-divide does not, in itself, address any of these issues. The proposed configuration, a well sized teaching pool and 10 lane 25m main pool will provide substantially increased water area over the existing provision, but configured in the most practical way for the majority of users and activities.

3 Location

- 3.1 Turning to the issue of where a new centre might be constructed, the list of possible locations is a short one. There is no suitably sized and located brown field site in the ownership of the Council or any public sector partner within the Winchester town boundary. An undeveloped site on the edge of the town would present enormous planning and practical difficulties which would make delivery highly uncertain. If the facility is to be located in Winchester then the only two feasible locations would appear to be on recreational/ playing field land at Bar End, or on playing field land adjacent to the existing centre at North Walls. (Rebuilding on the area occupied by the existing leisure centre would mean that Winchester has no large scale public sports facilities for at least two years and the site would probably not be large enough in any case).
- 3.2 To assist with the decision making process, Savills, the nationally known planning and development consultancy, were commissioned to provide an overview report of the planning and access issues associated with each site and indicate a preferable option. Their report identified North Walls as having the stronger case as the preferred location. The North Walls site also fits best with the catchment population identified in the Continuum report. The proposal would be for a new leisure centre to be built on playing field land alongside the existing building. The 'old' leisure centre would then be demolished and the car parking reconfigured to suit the available space.
- 3.3 Although Bar End is not ruled out as a location it is more visible from the surrounding countryside which would give rise to planning sensitivities and its proximity to Junction 10 of the M3 would require evaluation of its effect on the road network to satisfy the Highways Agency of no detrimental impact on the motorway network. In addition the Council does not own the land which fronts Bar End Road (the Garrison Ground playing fields) and therefore gaining access would involve complex negotiations with no guarantee of success. Making a new access via Milland Road would be problematic. The loss of recreational land would be similar to that at North Walls, but the King George V playing fields at Bar End have an additional level of protection through the requirement to obtain the consent of Fields in Trust (formerly the National Playing Fields Association) before any changes to them are made.

4 Next Steps

- 4.1 The Continuum report provides a rationale for a decision to provide a new facility for Winchester based upon the size of the population, participation rates and the expected growth in both of these over the next few years. The

suggested core content for any facility is consistent with their recommendations and with the view of officers and the existing management contractor regarding the nature and scale of facility that would be appropriate and affordable for Winchester. A broad indication of the cost of a major facility can be calculated from standard industry cost figures and the Continuum report includes a cost report produced on this basis by a highly reputable cost consultant. However, 'standard' costs by definition take no account of site specific factors, the specific content of a facility, demolitions and unique planning issues.

- 4.2 It is therefore not possible yet for any recommendation to be made as to the affordability or financing of a replacement leisure centre. For the Council to be in a position to make that decision requires further information which will help to determine the practical and financial implications of delivering the core content on the preferred site. An indicative list of the technical studies which will eventually be required is attached as Appendix 1. It is not necessary to commission all of these now. Those that are required will be those which provide basic information without which the feasibility of using the site and the cost of doing so cannot be assessed. The outcome of these studies will enable the creation of a much more definite cost estimate for a new centre (which will also need to be commissioned) and with this information the Council will be able to determine if and when to proceed.
- 4.3 This could be done simply by direct commissioning of a series of studies by the City Council, but the City Council does not have sufficient direct experience of identifying, assessing and coordinating this type of work on such a complex facility to ensure that all of the relevant issues are covered and 'joined up' to produce the overall picture the Council requires for decision making. It would therefore be prudent to make a one off appointment to provide overarching advice to the Council on the studies required, cost reporting and overall deliverability. The County Council could provide this service, as could a number of private sector firms, and fee proposals will be sought for this within the overall budget.
- 4.4 It would also be sensible to commission at this stage the advice that is required on issues of procurement and tendering. A project of this scale will require the use of an EU compliant tendering mechanism, and there are a number of different acceptable approaches to this. The Council may wish to look at mechanism which places more of the project development process with a contractor at an early stage rather than a more traditional approach.
- 4.5 Without prejudice to any future contractual or procurement position, the Council is able to take advice from its current management contractor, DC Leisure, on the operational issues that are most important in new facility provision. The Council will continue to seek professional advice from DCL on this matter as the current operators of the River Park Leisure Centre.
- 4.6 The Head of Estates has previously obtained a detailed condition report on the existing leisure centre. Even if it is decided to proceed with a replacement

building, it is likely that some expenditure on repair and maintenance of the existing fabric will be required. The Council will remain under a legal duty to ensure the health and safety of visitors to the Centre and this duty will not be reduced just because a new building is under construction. Works necessary to avoid risk to visitors and comply with this duty may have significant cost implications. However, it may also be possible to identify ways in which work can be done economically to achieve an acceptable outcome for the short term because the long term impact can be disregarded. It is suggested that the Head of Estates reports on the cost of maintaining the existing building on a short term basis, as this will have to be incorporated as an integral part of the total project cost.

- 4.7 It is expected that the process of obtaining fee proposals and then the necessary technical reports, evaluation and reporting back will take around three months. The Council should therefore be in a position to take a decision on how to move forward by early 2014. The cost of the reports needed will be substantial and it is suggested that budget provision of up to £100,000 is made at this point.

OTHER CONSIDERATIONS:

5 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 5.1 This proposal will have positive impacts on all of the key Community Strategy outcomes including efficient and effective council operations
- 5.2 A better more efficient building will reduce energy consumption, and increase activity in active lifestyles and will also provide local employment opportunities.

6 RESOURCE IMPLICATIONS:

- 6.1 This report does not make any recommendations regarding the financial viability of delivering the proposed core content for a replacement leisure centre. That is because the cost of doing so is currently unknown to any degree of detail and there is insufficient information available to determine the affordability of any proposals. The purpose of the further investigations proposed in the report are to provide the level of detail needed for the Council to make a prudent and well informed decision in due course.
- 6.2 Expenditure on the proposed further detailed investigations is considered essential as without this work the Council will have no further information to assist in its decision making. This can be funded from the Asset Management Plan revenue budget.
- 6.3 The capital programme currently includes £4.2m for essential repairs to the River Park Leisure Centre. Additional financing would need to be identified for any capital expenditure above this amount and any additional borrowing would need to be prudent, affordable, and sustainable in accordance with the

Prudential Code. . As a general indication of the cost of borrowing, at current PWLB rates for each £1m borrowed over 30 years, annual repayments would be c.£60k pa, on an annuity basis.

7 RISK MANAGEMENT ISSUES

- 7.1 The provision of a major new capital facility carries significant risks for the Council. The first step in mitigating these risks is to have the best possible information available regarding the cost of the project the Council may wish to deliver and any factors which will affect its deliverability within any agreed budget. Although the contractual mechanisms available to control costs on major building projects are effective once in place even the best contract management processes cannot mitigate for late changes of specification or for risk factors which should have been identified early on but which were overlooked. Incurring up front fees does represent expenditure at risk, since the work they purchase may lead to the conclusion that the project is not affordable or deliverable.

BACKGROUND DOCUMENTS:

[Leisure Centre Provision Options Appraisal & Feasibility Study Report](#)

Leisure Centre Site Planning Study, Winchester.

APPENDICES:

List of Technical Studies which may be required.

Appendix 1

	Item
1.	Full measured site topographical survey
2.	Archaeology / Historic environment surveys
3.	Arboriculture Survey
4.	Ecology surveys
5.	Tree preservation order checks
6.	Noise and light surveys
7.	Rights of way check
8.	Transport Impact Assessment/Surveys
9.	Lease boundaries checks
10.	Geotechnical Surveys including ground conditions
11.	Contamination Reports
12.	Water Table Reports
13.	River Authority Reports and Requirements
14.	Mining Surveys
15.	Existing Drainage Layouts
16.	Drainage Capacities
17.	Existing Utilities Surveys to include Private Services Eg. Cable company fibre optics
18.	Utility Capacity/Availability
19.	Ownership, covenants, title, access rights, wayleaves etc checks