

REPORT TITLE: SOUTHERN PARISHES SPORTS FACILITIES

9 OCTOBER 2019

REPORT OF CABINET MEMBER: Councillor Malcolm Prince - Sport, Leisure and Communities

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WARD(S): SOUTHERN PARISHES

PURPOSE

This briefing considers the provision of an additional 4 court sports hall in the Southern Parishes as well as options for the future of Meadowside Leisure Centre in Whiteley. Whilst these are separate pieces of work they have been integrated into one report as they are interlinked. A detailed report on these issues will be considered at Cabinet on 11 December 2019.

SUMMARY

The report outlines options for a 4 court sports hall in the southern parishes and suggests that based on the evidence and the significant financial costs involved the Council should not proceed with any of these options and that it may be more practical for the Council to consider supporting the community sports facilities at the new North Whiteley secondary school which will include a 4 court sports hall and 2 artificial turf pitches.

Four options for the future development/ management of Meadowside Leisure Centre are put forward for the Committee's views prior to seeking a Cabinet decision in December. These options include tendering the management of the centre until the new secondary school is opened in North Whiteley along with selling the leisure centre site and using the capital receipt to invest in other community facilities; and transferring it to Whiteley Town Council. .

It should be noted that Whiteley Town Council is currently located in Meadowside Leisure Centre and has expressed an interest in taking over the building and/ or its management subject to terms and associated costs.

RECOMMENDATION:

1. The Policy Committee is invited to comment upon the options and issues highlighted.

1 RESOURCE IMPLICATIONS

- 1.1 Further detail on the financial implications of providing a 4 court sports hall are provided in section 2; all four options indicate a significant annual cost to the Council given the large capital investment required.
- 1.2 Potential options for the future of Meadowside Leisure Centre are detailed below. Further feasibility work will be undertaken and the outcome of this will include the financial implications of each option to be presented to Cabinet in December. The cost of this feasibility work can be delivered using the remaining one-off budget approved in CAB3015.

2 SUPPORTING INFORMATION:

Community Leisure Facility – (4 court sports hall) Feasibility

Current Situation

- 2.1 Report CAB 3015 in January 2018 approved the assessment work for consideration of the feasibility of building a leisure facility (4 court sports hall) in the South of the District. The report noted that the conclusions would be reported back to Cabinet.
- 2.2 Options explored included combining or adding to an existing facility or providing a new stand alone facility.
- 2.3 This work, undertaken considered the best location and appropriate type of facility. It included a needs analysis and consideration of three sites with capital costs, revenue projections, affordability and management options.

Summary of Options

- 2.4 The following four potential options for a new leisure facility with a 4 court hall are:
 - A. Extension to Meadowside Leisure Centre at a cost of £2.8 million. This involves an extension to the existing centre to provide a new 4 court sports hall in addition to the existing 3 court hall. This option does not address the condition and operational issues with the existing building.
 - B. New build leisure facility on the site of Meadowside Leisure Centre at a cost of £11.8 million. This would deliver a new dry side facility to replace Meadowside Leisure Centre on the current site. This includes the replacement of all the existing provision other than substituting the 3 court hall with a, Sport England compliant, four court hall.
 - C. Extension to existing community leisure facilities at Swanmore College of Technology at a cost of £3.8 million. This would be a stand alone facility. It is the most remote site with some access issues.

- D. New facility at Mill Lane, Wickham, as part of the development of other sports facilities at a cost of £4.7 million. This would be a stand alone site in a rural location with some access issues.
- 2.5 The revenue projections for each of these options have been calculated with only options A and D likely to deliver a small, positive management payment to the Council before the cost of borrowing to finance capital spend.
- 2.6 Based on this evidence and in affordability terms, none of the options deliver a positive outcome for the Council, largely due to the absence of any funding to offset the capital costs. None of the options will deliver a strong enough management fee return to the Council to meet the level of borrowing required for any of the builds; the annual average net cost to the Council ranges from £120,000 per annum to over £400,000 per annum.
- 2.7 The major development in North Whiteley will include a new secondary school currently planned to open in 2024 (depending on build rates) which will have leisure facilities, including a 4 court sports hall and 2 full size artificial turf pitches. These new facilities will be available for community use.

Options for the future of Meadowside Leisure Centre, Whiteley

Current Situation

- 2.8 Winchester City Council owns Meadowside Leisure Centre which opened in 2000 and has a 3 court hall, 37 station gym, studio, 2 small sided artificial turf pitches and changing facilities for the grass pitches. It has 3 meeting rooms and accommodates offices and a meeting room for Whiteley Town Council. The centre has 45 parking spaces.
- 2.9 The centre is somewhat dated and has issues with disabled access and the structural suitability of the first floor meeting rooms for fitness activities.
- 2.10 Meadowside Leisure Centre is reasonably well used and is located next to Whiteley shopping centre. In recent years it has been operating at a loss due to competing fitness facilities opening in the area.
- 2.11 The operator contract to manage this facility will cease in January 2021.
- 2.12 The Council adopted a Sports Facilities Needs Assessment in 2018 which highlights the facility needs in the South of the District. In particular the study identified shortfalls in provision for artificial grass pitches and for gymnastic facilities in the District. This study is to be referenced in the cabinet report and the assessment information used to underpin each of the options.

- 2.13 The leisure centre would require investment and a change of facility mix to operate commercially and compete with budget gyms and newer leisure facilities in the Whiteley area.
- 2.14 British Land is proposing to build a new fitness gym, large enough to house 60 stations near to this centre. The planning application is yet to be determined which is for a mixed use development at Solent Business Park. The application is likely to be determined by the Planning Committee during the autumn.
- 2.15 There are also 11 fitness gyms within 15 minutes travelling time of Whiteley Town Centre as follows:
- Holly Hill Leisure Centre - 3.5miles
 - Fareham Leisure Centre - 5.6miles
 - Anytime fitness - 3.1miles
 - Sports Direct Gym - 6.7miles
 - Pure Gym - 3.7miles
 - Skylark - 2.1miles
 - Abshot - 4 miles
 - Atlas - 1.6 miles
 - Solent Hotel Gym -0.9 miles
 - Fusion Fitness - 6.5miles
 - Inspiring Fitness - 7.2miles
 - Gym 141 - 4.6miles
 - 24/7 Fitness - 7.1miles
- 2.16 Whiteley Town Council is currently located in Meadowside Leisure Centre and has expressed an interest in taking over the building and/or its management subject to terms and associated costs. Whiteley Town Council has a tenancy at will arrangement with Winchester City Council for the occupancy of their rooms.
- 2.17 There are currently 19 employees at the centre which equates to 6.3 full time staff managed by Places Leisure. This contract will be terminated in December 2020 inline with the contract to manage River Park Leisure Centre.
- 2.18 Whiteley is growing due to the major housing development to the north of the town. This includes a secondary school to be opened in 2024 (depending on build rates) which will have leisure facilities, including a 4 court sports hall and 2 full size artificial turf pitches, which should be available for community use.
- 2.19 One of the options to consider is the possibility of some investment from the council towards improving sports pitch provision in line with the Sports Pitches Strategy approved last year.

Summary of Options

Option A

- 2.20 Tender the management of this facility for a 5 year period then consider the disposal of the site and reinvestment in community facilities.

Pros

- It will be available until the new secondary school is opened in 2024
- No capital investment required
- Existing facilities remain for the Town Council and grass pitches
- WCC can consider disposal once the new school is open
- Future capital receipt to the Council
- No revenue outlay for WCC after 2025

Cons

- WCC is likely to incur a management fee for the 5 year contract increasing pressure on the Council's budget
- There may be limited interest from operators
- Would still include the existing building with its access and structural issues.
- The centre would continue to incur costs in the intervening period
- Possible future loss of accommodation for Whiteley Town Council who would require another facility in the Town Centre and the changing rooms for their grass pitches

Option B

- 2.21 Tender the management of this facility for a 10 or 15 year period and include the option for the new operator to provide capital investment to enhance the centre as part of an overall business case.

Pros

- Council does not bear the cost of capital investment.
- continue to meet the needs of the local community.
- The Council may secure a management payment.

Cons

- Council may have to pay a management fee to an operator thus increasing pressure on the Council's budget.
- Would still include the existing building with its access and structural issues.
- May require Planning Permission.
- Possible full or part facility closure during the contract – resulting in loss of potential income to the operator.
- Negotiation will be required to obtain additional land (if required) from Whiteley Town Council and/or British Land.

- More parking spaces may be required if the facility size is increased

Option C

- 2.22 Whiteley Town Council take over the running and management of the centre and ongoing associated costs and staff

Pros

- Continues to provide a community facility
- Might better meet the needs of the local community
- no ongoing costs to the Council depending upon agreeing acceptable terms

Cons

- no capital receipt from a potential sale of the centre.
- Would still include the existing building with some access and structural issues.

Option D

- 2.23 Close the site altogether and sell it.

Pros

- no ongoing running costs for the Council.
- capital receipt from the sale.

Cons

- loss of accommodation for Whiteley Town Council who would require another facility in the Town Centre and the loss of changing rooms for their grass pitches.
- loss of community facility.

3. Legal Comments:

- 3.1 A number of options are considered for the future of this site. Legal advice moving forward is required and any sale alternative disposal of the site such as lease or lease will require compliance with the appropriate legislation. Disposals must be undertaken with transparency, fairness and probity required to fulfil the expectations and standards of the Council as a public body. Additionally it is important to ensure that the Council receives the best consideration for disposal of assets thereby satisfying its obligation under Section 123 of the Local Government Act 1972.

4 OTHER OPTIONS CONSIDERED AND REJECTED

- 4.1 None.

BACKGROUND DOCUMENTS:-

Community Leisure Centre (4 Court hall) Feasibility Study – June 2019

Previous Committee Reports:-

[Cab 3015](#) - 16 January 2018 - WINCHESTER SPORT AND LEISURE PARK PROJECT
UPDATE

Other Background Documents:-

None

APPENDICES:

None