



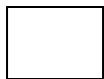
Report of the Director of City Development

Executive Board

Date: 26 August 2009

Subject: Vision for Council Leisure Centres

Electoral Wards Affected: All



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity Y

Community Cohesion Y

Narrowing the Gap Y

Eligible for Call In

Yes

EXECUTIVE SUMMARY

- The Sport and Active Recreation Service faces a number of challenges in order to improve the leisure centre stock. Significant investment has been made to date (Aquatics Centre, John Smeaton Leisure Centre, Yeadon Tarn Activity Centre) with two new leisure centres also under construction in Armley and Morley. However, the scale of investment required in the remaining facilities is significant.
- The challenge revolves around funding a solution that meets citizens expectations, that still allows the Council to support wider sports and health development initiatives and is affordable in terms of both capital and revenue. A programme of business transformation has run in parallel to the 'Vision' for leisure centres work, in order to ensure that the Sport and Active Recreation Service can sustain and improve on its high levels of performance in the longer term.
- Executive Board had specifically asked that officers work with Sport England in order to re-run their Facilities planning model. The Sport England Facilities Planning Model (FPM) confirms that there is enough swimming pool space in Leeds as a whole, both currently and with the new proposals. 100% of the population of the city is within 20 minutes drive of a pool, 65% can walk to one of the existing pools in that time.
- The 2 September 2008 Executive Board report on the Vision outlined four main proposals and the FPM findings were broadly supportive of all four proposals in terms of their city wide impact. However the model's findings, further work with stakeholders and partners, and changes in the financial environment have resulted in the original proposals being revised and are set out in this report.

1.0 Purpose of this Report

- 1.1 To propose a Vision for Council Leisure Centres following extensive public consultation and a review of Sport England's Facility Planning Model (FPM).

2.0 Background Information

- 2.1 Executive Board received a report on the 3 December 2008 reporting on the outcome of public consultation conducted in relation to the proposals contained in the Councils 'Vision for Sport', which was considered by Executive Board on 2 September 2008.

- 2.2 The long term Vision for sport and community Wellbeing Centres is:

'To secure a city-wide network of quality, affordable, accessible and sustainable leisure centres for the benefit of all the people of Leeds.'

- 2.3 The September 2008 report concentrated on three areas which require to be addressed:

- Increasing revenue costs to provide the service, with cost increases (e.g. energy) outstripping income increases thereby placing pressure on the service's revenue budget.
- Whilst revenue costs are increasing there are also increasing and significant capital investment needs of many of the existing Leisure Centres (largely constructed in the 1970's and 1980's), thereby undermining the quality and relevance of the public offer at a time when customer expectations are rapidly rising.
- An apparent oversupply of swimming pools in the city with a rapid increase in provision by the private sector in recent years.

- 2.4 Following the December 2008 Executive Board, the four specific proposals consulted upon are outlined in table 1 below, and at its September meeting the Executive Board agreed a series of principles for the location of any new facility, and these should be ;

- a) in a town or district centre;
- b) on a main arterial route, and/or
- c) Co-located with schools or health centres or other complementary services.

Table 1 – Original Draft Proposals (September 2008)

| Facility | Draft Proposal 1 |
|----------------------------|--|
| Aireborough Leisure Centre | To bring forward detailed plans for capital investment and remodelling to modernise and improve the quality of the facilities provided. |
| Pudsey Leisure Centre | |
| Bramley Baths | |
| Scott Hall Leisure Centre | |
| Kirkstall Leisure Centre | |
| Otley Chippendale | |
| Rothwell Leisure Centre | |
| Wetherby Leisure Centre | |
| Facilities | Draft Proposal 2 |
| East Leeds Leisure Centre | i) To re-provide Fearnville and East Leeds Leisure Centres in the form of one new, purpose built, well being centre, located close to the A64 corridor. |
| Fearnville Leisure Centre | |
| Richmond Hill Sports Hall | ii) To consider the transfer of the management of Richmond Hill Sports Hall to the voluntary sector as part of a community asset transfer. |
| Facilities | Draft Proposal 3 |
| Kippax Leisure Centre | To re-provide Kippax and Garforth Leisure Centres in the form of one new, purpose built, wellbeing centre to serve the communities of Garforth and Kippax. |
| Garforth Leisure Centre | |
| Facilities | Draft Proposal 4 |
| South Leeds Sports Centre | i) To close South Leeds Sports Centre once the new Morley Leisure Centre has opened and to concentrate provision at the John Charles Centre for Sport and Morley. |
| Middleton Leisure Centre | ii) To close the pool at Middleton Leisure Centre and to consider the transfer of the dry-side facilities to the voluntary sector as part of a community asset transfer. |

2.5 The outcome of the wide ranging public consultation brought about valuable views and on balance there appeared to be broad support for the 4 proposals. There were clearly expressed concerns from nearly all respondents in terms of the overall poor quality of many of the city’s leisure centres thereby supporting proposals to make improvements.

2.6 However, the proposals for consolidating some sites in the Outer and Inner East and concentrating provision at John Charles Centre for Sport met with a more mixed response, with concerns about how some of these communities could access swimming opportunities in the future, and the consequent impacts on health.

- 2.7 As part of the stakeholder consultation, Sport England suggested that further work should be undertaken to understand the impact of the proposals on the supply of swimming facilities at a local level.
- 2.8 On 3 December 2008 Executive Board resolved:
- (a) That the outcome of the public consultation exercise on the Vision for Council Leisure Centres be noted.
 - (b) That officers explore in more detail the proposal to transfer Richmond Hill Sports Hall to community management as part of a community asset transfer.
 - (c) That Sport England be requested to re-run their Facilities Planning Model for swimming pools provision in Leeds and in particular examine the implications of the Council's draft proposals.
 - (d) That officers consider the potential for community management for each of the centres most affected by these proposals and report back to a future meeting of this Board.
 - (e) That officers further develop capital investment proposals for Aireborough, Bramley, Kirkstall, Pudsey, Otley, Rothwell, Scott Hall and Wetherby Leisure Centres.
- 2.9 Officers have been working on these issues since the Board's decision.

3.0 Main Issues

- 3.1 In developing the Vision for Council Leisure Centres, officers have been reviewing the Sport and Active Recreation Service in order to provide a sound contextual base for future decisions. Overseen by the Sport for the Future Project Board, work has progressed to over-see a number of key work streams and business transformation opportunities. The service's future direction of travel is based around a clear acknowledgement that whilst the Council should play a strategic lead role in sport city wide, supporting its Place Shaping responsibility, it should also continue to develop its role in supporting many of the other key outcomes within the Leeds Strategic Plan, most notably its contribution to health and wellbeing.
- 3.2 Sport in its many forms (public, private and voluntary), supports many of the City's core priorities, whether that is Health, Culture, Learning, Harmonious Communities or Thriving Places. The primary Vision for the wider Sport and Active Recreation Service is:
- *Increased participation in Sport and Active recreation contributing to healthier communities*
- 3.3 In establishing the Vision for Council Leisure Centres (and more especially swimming pools), it is important to remember that the Council has the lead responsibility within the Leeds Strategic Plan to coordinate the work of Partners in order to achieve an increase in adult participation. Whilst leisure centres play a role they are one part of a large and complex system that requires support.

- 3.4 There remains the challenge of improving the leisure centre stock in a way that meets citizens expectations, that still allows the Council to support wider sports and health development initiatives and is affordable in terms of both capital and revenue. Leisure centres are expensive to build and operate largely due to the costs associated with swimming pools. Future decisions must take account of both demand modelling and the Council's ability to afford the rising revenue costs of providing leisure centres (e.g. energy) and the capital investment required to meet modern day public expectations. Consequently, the business transformation opportunities presented by integration/co location of health and wellbeing services become attractive.
- 3.5 From the Executive Board recommendations on the 3rd December 2008, further work has been undertaken, particularly relating to the Sport England Facility Planning Model. This assessment has particular relevance for proposals 2, 3 and 4 above and will attempt to address some of the concerns expressed by local groups during the public consultation and for which the Council received deputations (Middleton Community Group regarding the Proposed Closure of Middleton Sports Centre; Garforth Residents' Association regarding the Potential Closure of Garforth Leisure Centre; 'SPLASHback' regarding the Proposal to Close South Leeds Sports Centre and Kippax Amateur Swimming Club regarding the Potential Closure of Kippax Leisure Centre).

Sport England Facilities Planning Model Results (FPM)

- 3.6 The Sport England FPM models demand in the city for swimming pools, taking into account local demographic factors, particularly age and access to a car. The model then takes the existing swimming pool stock, publicly available times at those pools and journey times of up to 20 minutes (walking, public transport and car), and calculates how much of that demand could turn into swims. Sport England's covering letter, summarising their view of the proposals, is shown at Appendix A.
- 3.7 The model identifies 30 pools in the city (18 of which are Leeds City Council pools) that are 20m in length or more. It excludes a large number of smaller private pools largely concentrated to the centre and west of the City.
- 3.8 The model uses data at super output level and applies demand and supply factors (typical of such areas from research nationally) in order to present the picture for Leeds. The model was tested against 10 scenarios, based on the 4 original proposals. The model has assumed that participation increases by 1% per annum to 2014 in line with Government targets. The model also allows for Office of National Statistics estimated changes in population to 2014.

FPM Key Findings – Citywide Data

- 3.9 The following key findings of the model should be noted;
- a) 100% of the population of Leeds has access to one pool by car; 90% of the population have access to two or more pools by car, with 69% of visits to Leeds pools being made by car. Therefore, prominence on arterial routes, proximity to district centres and car parking become important considerations in terms of long term operational sustainability.

- b) On average, 23% of all visits to pools in Leeds are by walking. This figure drops in rural areas, with only 8.4% of visits to Kippax Leisure Centre being on foot. In the urban areas, the figure increases; for example visits to the Fearnville Leisure Centre are estimated as 32.5% on foot. The impact of this “walk to” factor on current proposals 2 and 4 has some relevance when considering future options.
- c) The model does not take into account other important local considerations including:
- Co-location opportunities, especially linked to health.
 - Non swimming pool related sports provision (public, voluntary & private)
 - Detailed location characteristics for a commercially sustainable site (e.g. car access and visibility to prospective users)
 - The opportunity cost of providing a swimming pool for what may prove to be a small, yet potentially important element of a local community.
 - Relative Health inequality/deprivation statistics
 - Planning issues
 - Other area-specific local considerations

FPM Key Findings – Implication of proposals as outlined to Executive Board in September 2008.

- 3.10 **Draft Proposal One** – The FPM supports the refurbishment of leisure centres, as this will increase total demand at the refurbished centres.
- 3.11 **Draft Proposal Two** – Three sites were analysed for one new centre in Inner East Leeds – the existing Fearnville site, Killingbeck Fields and the Dog and Gun site on York Road were used for analysis purposes only, and any proposed future site, which may be different to these three, will be reported back to Executive Board at a later date. The existing East Leeds site was discounted due to the lack of space for expansion and it not being on a main arterial route or in a town centre, and whilst the existing Fearnville site was used for analysis purposes, like the East Leeds site, it does not fully meet the criteria for a sustainable future leisure centre development.
- 3.12 The model findings were that building one new swimming pool would increase the attractiveness of swimming provision in the Inner East but reduce the ability of some people to walk to the new pool - losing 418 (Fearnville site), 453 (Dog & Gun) or 769 (Killingbeck) peak visits per week by those without access to a car.
- 3.13 However, there is very little to choose between the three sites tested in the model, all three are projected to attract a high annual throughput and meet a substantial proportion of local demand for swimming.
- 3.14 **Draft Proposal Three** – Three sites were analysed for one new centre in Outer East Leeds – the existing Kippax site, Garforth Community College and Selby Road adjacent to the fire station, were used for analysis purposes only.

3.15 The model findings were:

- a) All 3 site options operate as a single catchment area
- b) One new pool located in the area will increase satisfied demand & usage.
- c) Walk time is less significant to the model because most usage in the semi rural area is car borne (86%).
- d) The proposed development could be located anywhere within the Garforth/Kippax catchment area. However, factors which would need to be considered in order to determine the best location are:
 - Close to bus routes
 - Providing opportunities to co-locate services
 - The availability of land in a District Centre or near an arterial route
 - Health Inequalities

3.16 **Draft Proposal Four** – Options analysed were to close South Leeds Leisure Centre only, close Middleton Leisure Centre only and close both sites.

3.17 The model findings were:

- a) If South Leeds closes, satisfied demand falls by 381 peak visits per week, all from 'walk to' swimmers now more than a mile from a pool
- b) If Middleton closes, satisfied demand falls by 394 peak visits per week, all from 'walk to' swimmers now more than a mile from a pool
- c) If both pools close, satisfied demand falls by 791 peak visits per week, all from 'walk to' swimmers now more than a mile from a pool.
- d) The model projects that the visits displaced by the closure of the pools at Middleton and South Leeds can be accommodated at the Aquatics Centre, with virtually no drop in satisfied demand. The relatively small number of potential users who would no longer be within the 20 minute " walk to " catchment of a pool, has to be balanced against the substantial savings that could result from the closure of two pools.

Community Management Models (some sites in Proposals 2, 3 and 4)

3.18 Officers have carried out research on both existing Leeds City Council community management models and models in other authorities. The exercise has been very useful in determining the preferred approach and the required actions necessary to deliver outcomes.

3.19 Some examples were of the 'take it or lose it' variety, i.e. the Council transferred the asset but promised no further financial support. At the other extreme a number of leisure based services were transferred to a Community Trust (social enterprise) with the council paying the same revenue contribution as it did prior to transfer, to help support the operation. Here the community outcomes improved significantly but

this ultimately has to be balanced against the ability of the Council to fund future capital projects through generating revenue savings to use for unsupported borrowing.

3.20 In all the cases reviewed it appears that in order to achieve significant financial savings (to allow unsupported borrowing for the remaining facility stock) the preferred approach is to hand the building to a club/association, with minimal future involvement from the Council. This would take the form of an asset transfer, not a service transfer. In the case of facilities identified for consolidation, the more the Council wishes to place requirements on the Community organisation to deliver community sport outcomes, the less funding will be available to support the development of a new facility.

3.21 It is proposed that where facilities are offered for Community management the following conditions should be met:

- a) No ongoing financial commitment from Leeds City Council
- b) Transparent community or public control and robust governance arrangements
- c) Any leases on a full repair and maintenance basis with a minimum of ten years
- d) Adequate public liability insurance put in place by the organisation
- e) Sound Business Plan for using the facility in the public interest
- f) Evidence of sufficient funding in place to avoid coming back to the Council for capital, revenue or emergency funding

4.0 Revised proposals

4.1 Following the two reports to Executive Board, in September and December 2008, and the running of the Sport England facilities planning model, the proposals outlined last September have now been amended on the basis of information reported on section 3 above and the relevant information contained in section 5 “Funding the Vision”.

Table 2 –Revised Proposals

| Centre | Proposal 1 |
|--|---|
| Aireborough, Pudsey, Bramley, Scott Hall, Kirkstall, Otley, Rothwell and Wetherby | To undertake works required as detailed in table 3, of this report, with a commitment to deliver and resource this work up to 2020. |
| Centre | Proposal 2 |
| East Leeds Fearnville | (i) To re-provide Fearnville and East Leeds Leisure Centres in the form of one new, purpose built, well being centre, with a commitment to deliver and resource by 2013/15 (ii) Seek expressions of interest to transfer East Leeds and Fearnville Leisure centres to a Community organisation . (iii) East Leeds Leisure Centre and Fearnville Leisure Centre to remain under council management until such time that a) a new well being centre is confirmed or b) a suitable community |

| | |
|---------------------------|---|
| | organisation has been identified to whom to transfer the asset(s). |
| Richmond Hill Sports Hall | (iv) To seek to transfer the management of Richmond Hill Sports Hall to a Community Organisation. |
| Centre | Proposal 3 |
| Kippax | (i) To re-provide Kippax and Garforth Leisure Centres in the form of one new or refurbished swimming pool, fitness suite and other appropriate dry side sports facilities to serve the communities of Garforth and Kippax, with a commitment to deliver and resource by 2017. |
| Garforth | |
| Centre | Proposal 4 |
| South Leeds | (i) Seek expressions of interest to transfer South Leeds Sports Centre to a Community Organisation (ii) To close South Leeds Sports Centre (if no suitable community group is identified) when the new Morley Leisure Centre opens in 2010, and concentrate leisure provision at the John Charles Centre for Sport and Morley. |
| Middleton | (iii) To provide a new well being facility for Middleton, at or in close proximity to the current St George's Centre, with a commitment to deliver and resource by 2013/15 iv) Seek expressions of interest to transfer the existing Middleton Leisure Centre (asset) to a Community Organisation (v) Middleton Leisure Centre to remain under council management until such time that a) a new well being centre is confirmed (at or in close proximity to St George's Centre) or b) a suitable community organisation has been identified to whom to transfer the existing Middleton leisure centre (asset). |

5.0 Funding the Vision

5.1 The economic and financial climate for funding the Vision has become even more difficult since this time last year, when the original proposals were first presented to Executive Board. A number of funding options are considered feasible for the capital developments:

- Council capital funding, or capital receipts from sale of current sites
- Unsupported prudential borrowing based on future revenue savings,
- Free swimming capital modernisation grants (although relatively small), and
- Private Finance Initiative (PFI) credits and other Sport related capital grants (these government programmes have limited budgets and uncertain prospects as the public finances have significantly deteriorated).

With many of the older leisure centres becoming less efficient to operate, there will be inevitable upward pressure on revenue costs, while the capital liability for improvement increases year by year. Closing less efficient sites can release revenue savings to fund new replacements (through prudential borrowing), although

the facility mix will need to take account of the amount of funding available, including contributions from partners.

Executive Board need to be aware that delivering the Vision will also have major short term implications on the service's revenue budget each year. This makes firm, decisive planning essential if income losses are to be contained whilst sites are closed down for improvement works.

Funding Proposal 1

- 5.2 The Council's Capital Programme is heavily over-committed for the next 3 years to 31 March 2012 and future programmes may be restricted by the shortfall in future capital receipts due to the recession and reduced land values.
- 5.3 The Executive Board needs to be aware that the Council will still almost certainly need to provide substantial funding in future Capital Programmes to deliver a refurbishment programme as part of the sport capital plan that flows from this 'Vision for Council Leisure Centres' by 2020. There are not sufficient sources of external funding for council owned leisure facilities to meet the level of investment needed.
- 5.4 The Free Swimming Capital Modernisation Fund 2010/11 provides a window of opportunity to fund some early improvements to one of the swimming facilities in the city, but it is a competitive process and provides no guarantees of support.

Funding Proposals 2 and 4

- 5.5 In February 2009, the Council received in principle approval from the Department of Health (DoH) for £32m PFI credits to build a new community well being centre at Holt Park.
- 5.6 The new Holt Park Wellbeing Centre is the result of a bid to DoH that was developed through a partnership between Adult Social Care, Sport and Active Recreation and the NHS. The sponsoring department for the bid is Adult Social Care; however the facility will retain sport and leisure elements. The wellbeing centre is innovative and will provide sporting facilities with health services, community space, supported living and day care facilities and will be located adjacent to the Ralph Thoresby School and Community Library. Links have been developed with NHS Leeds and other partners interested in improving this well placed community hub.
- 5.7 The first round of consultation has been conducted at the Holt Park Leisure Centre and the overall feedback from the public has been positive, both for the replacement of the centre, and for the wellbeing concept.
- 5.8 An Outline Business Case is being built up, with procurement being anticipated through the Local Education Partnership, as were the New Leaf Leisure Centres at Armley and Morley. The target for procurement is 15 months, with building starting in late 2010. A report will be presented to the Executive Board in October seeking approval of the Outline Business Case (OBC), which is currently being reviewed, as the NHS appear to be withdrawing their support to be a partner in the Holt Park wellbeing project.

- 5.9 The DoH had previously indicated that they may support further bids for community wellbeing centres from the Council and members were previously asked to approve the concept of developing wellbeing centres to replace the current Garforth and Kippax Leisure Centres and the Fearnville and East Leeds Leisure Centres for a bidding round in 2009.
- 5.10 Discussions have been ongoing with NHS Leeds and Adult Social Care in order to assess their respective priorities in terms of the delivery of wellbeing centres. The consequence of this work is that original proposal 3 (One new wellbeing centre in Kippax and Garforth) is not seen as a health priority, removing its initial potential funding. Instead, both NHS Leeds and Adult Social Care have indicated that wellbeing centres should be located in Inner East Leeds and/or South Leeds.
- 5.11 Officers have therefore investigated the possibility of providing a new swimming pool as part of the wellbeing programme within the South Leeds area. In determining a possible location, consideration has been given to:
- a) Satisfying 'walk to' demand and close to bus routes
 - b) Providing opportunities to co-locate services and maximise funding potential
 - c) The availability of land in a District Centre or near an arterial route,
 - d) The extent to which a new wellbeing centre would support addressing Health Inequalities.
- 5.12 The South Leeds Wellbeing Centre option is clearly new and is supported by both NHS Leeds and Adult Social Care.
- 5.13 Consequently, officers have identified the St George's site in Middleton District Centre as there is confidence about the potential site, its location in terms of tackling health inequalities and the connection to existing health care services. A small community pool and gym would fit well with the above criteria, connecting to existing (and possibly new) on site health care services.
- 5.14 In May 2009, officers submitted an initial letter of interest to DoH to bid for future PFI credits for a new Wellbeing project based in Inner East (on a site to be determined) and South Leeds, adjacent or in close proximity to the St. George's Centre in Middleton
- 5.15 Following the submission of the initial letter of interest to the DoH, officers have also carried out work to progress the identification of sites in Inner East Leeds.
- 5.16 All bids (33 bids nationwide for £827m compared to the £250m available) were considered by the DoH, and Leeds received a disappointing reply. The DoH has rejected the Councils' application for funding assistance for 2 new Wellbeing schemes in Inner East and South Leeds, despite giving in principle approval in 2008/09 for the Holt Park Wellbeing scheme.
- 5.17 Given the lack of PFI funding it presents the Council with a major challenge in terms of funding a new well being centre in either the Inner East or the South. Inner East is

considered the greatest priority from both a sport and health perspective and an alternative funding route is outlined in 5.20 below. This has the potential to be the next major scheme to be delivered following the opening of the brand new leisure centres in Armley and Morley in 2010 and the potential opening of a new Holt park leisure centre in 2011/12.

Funding Proposal 3

- 5.18 Proposal 3 in the Outer East will now require an alternative funding solution to be developed as a consequence of not being considered a priority by the local NHS or Adult Social Care in Leeds. However, the original proposal of replacing both Garforth and Kippax leisure centres with one improved site remains, although there is no clear funding solution at this stage and further feasibility work is required to determine the best location. Any re provision must take account of other sports halls provided in both the Garforth and Kippax localities. Equally, any future facility mix must take account of existing extensive squash facilities provided at Garforth Leisure Centre. In the meantime, the status quo would remain.

Funding through Consolidation and Modernisation

- 5.19 Where capital investment results in sustainable reductions in revenue costs (or increases in income), it is possible for the Council to finance the investment with prudential borrowing which gets serviced and repaid from the stream of revenue savings. For example, the expansion of a bodyline gym from 70 to 100 stations should generate enough additional income to fund around £200k of capital spending on building and fittings, particularly as part of a bigger scheme.
- 5.20 Old facilities cost more to run and attract less income than modern facilities. In addition, two small or medium sized facilities cost more (because of major fixed costs) than a single combined site. Accordingly, it is possible to generate revenue savings and thus capital funding by rationalising two, or more, older sites into one, as long as staffing can be absorbed into other facilities or services (see Workforce Planning below). The development of a wellbeing centre in Inner East Leeds remains the greatest priority and as such revenue savings from the re-provision of older sites elsewhere in the city could contribute to a viable funding solution. Inner East Leeds is considered a priority area for development given the positive impact on participation of a new swimming facility in the area as well as it being a priority for both the NHS (reducing health inequality) and Adult Social Care. The closure of South Leeds, Fearnville and East Leeds Leisure Centres would present an opportunity, and part of the funding needed, to develop a brand new well being centre in the Inner East area. Further feasibility study would be required to determine the most appropriate location and the total funding required to secure a high quality well-being centre.
- 5.21 As reported, grant funding sources are limited and there are poor prospects for any large scale funding from Central Government in the near future given the position of the public finances. Some small national pots of funding exist and Leeds has already benefited from one of them, the free swimming capital modernisation fund. Leeds was successful in securing funding of £340,000 for changing room improvements at Scott Hall Leisure Centre (cost £512,300) as well as £70,000

funding for some innovative work relating to Pool lighting at 3 sites in the city. The opportunity exists for a further bid to this fund, however there is only £25m nationally (£10m for Local Authority Pools and £15m for School Pools) and it is likely to be heavily oversubscribed. Given the process is competitive there is no guarantee of success and it is possible that no more than one scheme would be chosen by Sport England. The Council intends to work up schemes for 3 sites with a maximum likely single award of no more than £1m. The proposed bids would be for Kirkstall, Aireborough and Wetherby and would be reliant on approximately 25% match funding from the Council. Officers will also seek to bid for Free swimming capital for school sites focusing on Chippendale Pool in Otley, working with Otley Prince Henry School. Deadline for submission of all bids is the 4 September 2009.

6.0 Business Transformation

6.1 As part of the wider review of the service a core workstream has developed seeking to utilise ICT investment to help modernise and transform the service. Implementation plans are currently being drawn up to deliver the improvements in 2009/10, the outcome of which will allow:

- Introduction of On line bookings and payments, removal of the need to queue for pre paid customers and introduction of new self service options
- Improved data management, improvement of communication within the service and better customer management/retention
- The wider development of any future City Card proposal and marketing opportunities that it will present.

7.0 Implications For Council Policy And Governance

7.1 Through its Vision, '*Increasing participation in sport and active recreation contributing to healthier communities*', delivered by both direct services and effective partnership working, the Sports and Active Recreation Service supports the achievement of significant parts of the Leeds Strategic Plan 2008-2011, and a number of strategic outcomes and improvement priorities. The most obvious outcomes supported are:

- Increased participation in cultural opportunities through engaging with all our communities - Enable more people to become involved in sport and culture by providing better quality and wider ranging activities and facilities.
- Reduce health inequalities through the promotion of healthy life choices and improved access to services - Reduce rate of increase in obesity and raise physical activity for all.

7.2 Other Leeds Strategic Plan improvement priorities are supported due to the potential collocation of services through the wellbeing initiative:

- Reduce premature mortality in the most deprived areas

- Improve the assessment and care management of children, families and vulnerable adults
- Improve psychological, mental health and learning disability services for those who need it
- Increase the proportion of people in receipt of community services enjoying choice and control over their daily lives
- Improve safeguarding arrangements for vulnerable children and adults through better information, recognition and response to risk

7.3 Increasing adult participation in active recreation is a key target for the Council and NHS. Whilst swimming pools have a unique and important role in terms of learning to swim, swim safety, swimming for health/fitness and swimming development opportunities for talented athletes, they are only part of a broad spectrum of participation opportunities. The Sport and Active Recreation Service works hard on a broad front to provide opportunities and support schools, voluntary organisations, professional clubs in encouraging ever wider participation. An appropriate balance needs to be struck between providing swimming pools and supporting wider sports and physical activity development work.

7.4 As the Council develops the concept of wellbeing centres with partners in NHS Leeds, and Adult Social care, new governance arrangements are being explored in order to ensure a focus on achieving positive outcomes.

8.0 Legal And Resource Implications

a) Community Management

8.1 In respect of community management and PFI projects, the ownership, title, terms and value of sites needs to be clearly determined.

8.2 It is proposed to seek formal expressions of interest from community in terms of sites (assets) identified for community transfer. Groups submitting an expression of interest will be asked to satisfy a number of basic requirements in order for them to be asked to develop their proposals further with the Council and these were outlined at 3.21 in this report.

8.3 Because of long lead-in times, TUPE transfers should not be a significant risk, as long as the workforce planning is robust and there is a clearly agreed Capital Investment Plan. Staff and Unions will be consulted throughout the process.

b) Good Workforce Planning

8.4 Implementing the above proposals will be complex, with very careful consideration of the ongoing budget implications of closing buildings for refurbishments or improvements (i.e. income is lost and staff costs often retained). Few permanent staff have been appointed since 2007 as vacancies are being filled with staff displaced from Morley Leisure Centre (closed July 2008) and, prospectively, Armley Leisure Centre (closing summer 2009). When the new Armley and Morley centres

reopen in April and June 2010 respectively, staff will move back to these centres. If the decision to transfer and or close sites is taken in time, many of the staff in these centres could be transferred in 2010 to fill the resulting vacancies and minimise disruption to customers and staff.

c) Revenue Funding (PFI Schemes)

- 8.5 Funding PFI schemes usually requires the entire revenue budget for the existing services; NHS and Adult Social Care budget contributions will be needed for wellbeing centres as well as those of Sport & Active Recreation.
- 8.6 The need to commit most or all existing budgets also makes it difficult to consider any community model other than one where a strong partner would take responsibility for operations and costs.
- 8.7 Costs of closing pools, voluntary severance costs, PFI procurement and legal expenses will be funded as the first call on any revenue savings. Only after this will the savings be available to support investment and the PFI lifecycle costs.

d) Capital Funding

- 8.8 To support making funding applications to the Free Swimming Capital Modernisation Programme 2010/11, funding will need to be found from within Council revenue, maintenance and capital budgets, and from NHS Leeds and other partner organisations. It is likely that the Council would have to contribute in the region of 25% of total scheme costs, there is currently no capital programme provision for these costs, the maximum contribution required would be £ 424,000.
- 8.9 In order to deliver the improvement programme it is difficult to articulate precise funding requirements as significant work will be required to develop schemes in more detail. In order to deliver proposal 1 refurbishments, there is likely to be a pressure of £10m - £14m on the councils capital programme over the next 10 years. Table 3 highlights the funding implications for the council and an indicative programme of works for Proposal 1. Table 4 sets out the potential timing and indicative costs of the other major schemes either underway or proposed. This excludes major projects already delivered namely New Aquatics Centre at John Charles Centre, John Smeaton Leisure centre, and Yeadon Tarn Activity centre.

Table 3: Costs, Timing and Potential Funding for Proposal 1

| Centre | Total Project £000s | Works Required | 2010 / 11 Funding £000s | | 2011/15 Funding £000s | | 2015/20 Funding £000s | |
|--------------------|------------------------------|--|----------------------------|-------------------------|--------------------------|-----------------------|-----------------------------|-----------------------|
| | | | LCC Capital | Pot 4 – free swimming*1 | LCC Capital | Unsupported Borrowing | LCC Capital | Unsupported Borrowing |
| Aireborough | 3,800 | Refurbish wetside changing rooms & pool hall Extend Bodyline Gym Refurbish reception and exterior windows; refurbish dryside changing, DDA works. | 200 | 800 | 2,065 | 735 | | |
| Pudsey | 2,000 | New entrance / active frontage / interior refurbishment Extend Bodyline gym | | | 1,400 | 400 200 | | |
| Rothwell | 5,765 | Pool hall refurbishment; New atrium / circulation / relaxation area. Refurbish dryside changing, additional car parking, fitness studio / spinning area 1st floor, general maintenance to exterior. Extend Bodyline Gym | | | | | 4,895 | 870 |
| Kirkstall | 993 | Refurbish wetside changing room Re-orient reception area. Works to heating / lighting / ventilation, DDA works | 112 | 448 | 433 | | | |
| Bramley | 55 | Heritage changing fittings | | | 55 | | | |
| Otley | Owned by Prince Henry School | Work with school to improve changing rooms and public access | | | | | | |
| Scott Hall | | Already agreed and funded, Reception and disabled lift completed 2007. Work due to commence on new changing rooms summer 2009. | | | | | | |
| Wetherby | 1,435 | Village changing room, DDA works 300m2 extension to Bodyline gym to give total 60 stations. | 112 | 448 | | 875 | | |
| Total | 14,148 | £000s | 424 | 1,696 | 3,953 | 2,210 | 4,895 | 870 |

**1. The free swimming capital fund is a competitive process and as such there are no guarantees that any of the proposed schemes would be supported by Sport England. The amount of Council match funding stated is therefore a maximum amount. The phasing of works will also be dependant on the outcome of the funding decision.*

The following table 4 looks at the potential timing of the revised proposals 2,3, and 4. Their timing depends critically on whether funding can be secured beyond the prudential borrowing that can be generated by rationalising the number of sites, i.e. through other Council capital Funding or external funding such as PFI.

| Table 4 | | | | |
|---|-------------------------------|-------------------------|-------------------------|-------------------------|
| Major New Facilities - Potential Timing | | | | |
| | Indicative Cost £m | <u>2010/11</u> | <u>2011/15</u> | <u>2015/ 20</u> |
| A. New Leaf PFI Sites (Under construction) | | | | |
| Armley reopens | 11 | April 2010 | | |
| Morley reopens | 14 | June 2010 | | |
| B. Holt Park PFI (in principle funding - subject to final approvals) | | | | |
| Finalise funding & contracts | | June 2010 | | |
| New wellbeing centre opens | 15 | | 2012 | |
| Capital cost element A+B | 40 | | | |
| C. "Vision for Leisure Centres' Revised Proposals | | | | |
| Assumes capital costs met via; Closures of sites/Prudential borrowing/Council capital and other potential funding sources e.g. PFI | | | | |
| | £m (prices as of 2009) | <u>2010/11</u> | <u>2011/15</u> | <u>2015/ 20</u> |
| Proposal 2. Inner East | | | | |
| Open New centre | 15 | | 2013/15 | |
| Close\Transfer Existing Sites | | As conditions** are met | | |
| Proposal 3. Outer East | | | | |
| Open New centre | 13 | | | 2017 |
| Close\Transfer Existing Sites | | | | As conditions** are met |
| Proposal 4. Leeds South | | | | |
| Close\Transfer South Leeds New Facility at St George's Middleton | 12 | as Morley re-opens | 2013/15 | |
| Build New Centre | | | As conditions** are met | |
| Close\Transfer Existing Site | | | | |
| Total cost C | 40 | | | |
| **The conditions referred to are as follows: | | | | |
| (a) a new facility is confirmed /delivered and/or (b) a suitable community organisation has been identified. | | | | |

e) Major Benefits of Refurbishment and Re-Provision

- 8.10 Refurbishment and modernisation of pool halls, changing rooms and reception areas will help Leeds City Council remain a major provider and enabler of reasonably priced opportunities to take part in sport. Our pools are much bigger, better and more appropriate for a variety of uses than the typical private sector 'tank'. However, the private sector invests more heavily in making the journey from car park to pool side more attractive. If public facilities fall too far behind there will be a loss of customer income and subsidy costs will rise to unsustainable levels, possibly leading to centres closing on financial or health and safety grounds
- 8.11 Investment in refurbishing popular council facilities will encourage more visits from people who cannot afford private clubs; it will also maintain a downward pressure on the ability of the private sector to increase prices for the Leeds citizens who use those facilities. With the investment we will look to see annual visits grow from 4.5 million currently to 5 million by 2015. Without investment, we will have to work hard to stop visits falling below 4 million by 2015.
- 8.12 Furthermore, the emergence of the well-being model as a way of integrating services will further enhance opportunities for the people of Leeds and demonstrates the Council's ambition to innovate, modernise and improve in a difficult financial climate

f) Risks

- 8.13 The greatest risks to the "Vision for Leisure Centres" comes from unforeseen developments in the private and voluntary sector along with the state of the public finances. With cuts in public spending widely expected, some entrepreneurs might try to undermine public facilities by short-term aggressive marketing and discounting. Low cost 'Budget gyms' have grown on continental Europe, hitting larger staffed gyms. The first of these budget gyms have already started to emerge in the UK and Leeds is likely to be an area for development.

9.0 Conclusions

- 9.1 The challenge for the service is complex. Leisure centres provide important opportunities for people to be active, leading to better health and wellbeing, as well as being a place to meet and socialise, acting as community hubs in many cases. There is no cheap and quick solution to the long term needs of the service and whilst performance remains strong it is not considered sustainable without significant investment. Methods of improving the service have been identified as have investment requirements.
- 9.2 Capital funding is required to improve the Council's large stock of sports and leisure centres. Some of this may come from Government PFI credits and Free Swimming capital. However, without capital funding from Leeds City Council, the service is unlikely to meet customer expectations in the future. The recommendations below provide a combination of clear actions together with a framework within which to improve the quality of the existing Leisure Centres. Given the degree of complexity and the challenges relating to funding the Vision, it is vitally important that the plan

retains sufficient flexibility to respond to funding decisions and any future opportunities that may arise but critically are clear and detailed enough to allow effective planning of delivery given the potential impacts on existing customers, staff and revenue budgets.

- 9.3 This report sets out a clear intent and commitment by the Council to deliver an improved service which is fit for purpose. Individual projects will need to be brought forward with resourced and developed business cases, but the Council is committed to achieve this within timescales set out in this report.

10.0 Recommendations

Executive Board are requested to approve the following proposals:

Proposal 1 – The Eight Refurbishment Sites

- 10.1 To agree proposals to modernise and improve the quality of the facilities provided at the following sites, and detailed in table 3: Kirkstall, Rothwell, Aireborough, Otley Chippendale Pool, Bramley, Pudsey, Scott Hall* (*scheme currently being delivered) and Wetherby with a commitment to deliver and resource this work up to 2020.
- 10.2 The Director of City Development submit bids in respect of the Free Swimming Capital Modernisation Programme 2010/11 by 4 September 2009.
- 10.3 That the indicative phasing of works is noted as detailed in table 3.

Proposal 2 – Inner East

- 10.4 To re-provide Fearnville and East Leeds Leisure Centres in the form of one new, purpose built, well being centre, with a commitment to deliver and resource by 2013/15.
- 10.5 Seek expressions of interest to transfer East Leeds and Fearnville Leisure Centres to a Community Organisation.
- 10.6 East Leeds Leisure Centre and Fearnville Leisure Centre to remain under Council management until such time that a) a new well being centre is confirmed or b) a suitable community organisation has been identified to whom to transfer the asset(s).
- 10.7 To seek to transfer the management of Richmond Hill Sports Hall to a Community Organization.

Proposal 3 – Outer East

- 10.8 To re-provide Kippax and Garforth Leisure Centres in the form of one new or refurbished swimming pool, fitness suite and other appropriate dry side sports facilities to serve the communities of Garforth and Kippax, with a commitment to deliver and resource by 2017.

Proposal 4 South Leeds & Middleton

- 10.9 Seek expressions of interest to transfer South Leeds Sports Centre to a Community Organisation
- 10.10 To close South Leeds Sports Centre (if no suitable community group is identified) when the new Morley Leisure Centre opens in 2010, and concentrate leisure provision at the John Charles Centre for Sport and Morley
- 10.11 To provide a new well being facility for Middleton, at or in close proximity to the current St George's Centre, with a commitment to deliver and resource by 2013/15.
- 10.12 Seek expressions of interest to transfer the existing Middleton Leisure Centre to a Community Organisation
- 10.13 Middleton Leisure Centre to remain under Council management until such time that a) a new well being is confirmed (at St George's Centre) or b) a suitable community organisation has been identified to whom to transfer the existing Middleton Leisure Centre (asset).

Background Papers

Sport England's Facility Planning Model

Leeds pools study – Sport England overview report

1.1 Introduction

Sport England have worked closely with Leeds City Council for a number of years on facility planning matters and fully endorse the strategic approach that has been adopted to help achieve the council's priority to enable more people to be involved in sport by providing better quality and wider ranging facilities and activities. This approach has underpinned a number of successful funding bids for facility renewal and is particularly appropriate in the current economic climate and in the light of the financial pressures facing the council.

Most recently the council has commissioned Sport England to provide an analysis of the supply and demand for swimming across the city. The assessment considers the impact of changes to population; to the number and location of council provided pools; and of an increase in participation in swimming. This will support the council in testing a series of proposals for investment and re-provision.

1.2 The Facility Planning Model (FPM)

The Facility Planning Model has been developed as a planning tool to inform the process of deciding if and where major community sports facilities such as swimming pools are needed. It has been used across England for over twenty years to inform local, regional and national facility planning and draws on established surveys including Active Places, Active People and the Sport England Benchmarking Service to provide baseline information on participation and community sports facilities.

The FPM study provides an objective assessment of the relationship between the planned supply of pools (incorporating the new facilities at Armley, Morley and Leeds University) and the demand for swimming in the city. It also assesses the impact of a number of changes to both the supply and location of pools, to population and to the rate of participation in swimming. The work provides an outcome and a recommendation on which site, if any, provides the best location in terms of supply, demand and accessibility.

1.3 Proposed facility options

Three sets of proposals were tested in the study and there are a number of other factors and policy issues that cannot be considered by the model but which may or should influence the final decision or choice of site and these are set out below.

1.3.1 East Leeds

The closure of the two pool sites at East Leeds and Fearnville and replacement with a new pool on one of three possible sites has minimal effect on the amount of water space available. There is very little to choose between the three sites tested in the model – all three are projected to attract a very high annual throughput and meet a substantial proportion of local demand for swimming. The ultimate choice will therefore depend on local factors such as access on foot and by public transport, visibility of any new site and the impact of physical barriers such as the A64 Trunk Road.

1.3.2 Kippax and Garforth

The model projects a significant throughput at all three sites tested – Garforth Community College, the A63 site and the existing Kippax site and so there is a strong case for a replacement pool. The margins between each site are very small – in the model's terms all would be as good as each other in meeting the needs of the local community. Again, the ultimate choice for any replacement pool will depend on more local factors, other relevant policy guidance including government policy on co-location and specific site factors such as cost, availability and visibility/attractiveness and ease of access that the FPM cannot assess.

1.3.3 South Leeds/Middleton

The model projects that the visits displaced by the closure of the pools at Middleton and South Leeds can be accommodated at the Aquatics Centre with virtually no drop in satisfied demand. A small number of potential users in Middleton and in South Leeds would no longer be within the 20 minute "walk to" catchment of a pool but this must be balanced against the substantial savings that would result from the closure of two pools. It may be that local, targeted community sports development and health interventions would be more effective in enabling these local communities outside the walking catchment to swim than re-provision in or around the existing sites.

England has very few 50 metre pools and so management information about their performance is more limited than it is for smaller pools. The Leeds FPM assessment projects a very high throughput for the Aquatics Centre and suggests that it might be operating close to its maximum "comfortable" capacity by 2019 if all the projected visits to pools were to happen and the pools at Middleton and South Leeds were to be closed. Leeds CC management information to date indicates that the number of visits is well below the number projected by the model and so there would be capacity to absorb additional visits from swimmers displaced by the closure of the other two pools.

1.4 Other factors

The Key Findings of the study provide further information to support local decision making. Other local factors will inform the ultimate policy on pool provision and what changes, if any, are made to the existing stock and the location of any new facilities.

Other national guidance that should inform decisions about location are **Active Design**, published by Sport England, which sets out key objectives for promoting participation in sport through the design, location and layout of sport facilities. Factors to be considered include active travel and public transport routes which can allow those without access to a car to use the facility; accessibility both on the site itself and also in the wider area where physical barriers such as major roads may prevent or discourage people from using the facility. Where a number of alternative sites have been modelled and there is little difference between them in meeting demand, these factors may ultimately determine the best location.

Co-location is another factor to be considered and is a well established principle that has been widely used to influence the location of sports facilities. Recent Government guidance and the launch of a Co-location fund reinforce this approach. There may be advantages in locating a new pool with other community or commercial services for example as part of a community health facility, with a community library or on a school site. The FPM cannot take account of these very local circumstances but Sport England guidance promotes their inclusion in more detailed local planning. The ultimate outcome of the planning process should be to provide the right facility at the most effective location.

1.5 Unmet demand from walkers

Visitors to pools will make the journey by car, public transport or on foot. The overwhelming majority of visits are made by car but there are a number of people in all communities who do not have access to a car and will make the trip on foot. The FPM uses a 20 minute catchment to define the area from which people walking to the pool will be drawn.

Within the wider Leeds area covered by this study virtually all of the unmet demand projected by the FPM is from people who are predicted to walk to the pool. The closure of Middleton and South Leeds pools will slightly increase the amount of unmet demand but the actual numbers involved are very small (There are other parts of the city where there are substantially larger numbers of walkers outside the catchment of a pool.) These groups, however, are often those who would benefit most from regular participation in swimming and so any good sports development plan should provide ways in which they can have the opportunity to swim. This may often be as part of wider community development, education or health initiatives.

1.6 Summary

The key findings from the study support the proposed changes to the number and location of council owned pools both in terms of the number of pools proposed and their size/capacity. In two of the three areas the differences between potential sites for new pools is are slight and this means that other policy and operational issues, site factors and the results of public consultation will ultimately help to decide which site, if any, is chosen.