

City Development Scrutiny Board Wednesday 20th April

Background information for agenda item 7: Closure of East Leeds Leisure Centre and Middleton Pool and Reduced Opening Hours of Garforth Squash and Leisure Centre

Introduction

This report provides supplementary information on several questions raised in the discussion at the Scrutiny Board meeting of 5th April 2011, as follows:

- 1 What was the choice of sites recommended for closure or reduced hours based on?
- 2 Why was Garforth selected rather than Kippax?
- 3 Why can't the council run Garforth at a surplus like the Schools Partnership Trust apparently hopes to?
- 4 How did you assess the financial impact of closure, bearing in mind income would be lost as well as costs being saved?
- 5 What work was done on the potential for community asset transfer of East Leeds?
- 6 Was deprivation taken into account in the choice of sites for closure/reduction?
- 7 Were transport difficulties taken into account?
- 8 Could the budget savings not have been made from back office costs and staffing levels instead of front-line services?
- 9 Could the budget savings have been made by wider reductions in opening hours?

Information on all these questions was given in the report submitted to the Scrutiny Board of 5th April 2011, and information on several of these questions is also contained in the equalities impact assessment on the leisure proposals in the Council budget, posted on the council's web site.

Q1 What was the choice of sites recommended for closure or reduced hours based on?

This is addressed in paragraphs 4.1 to 4.13 and Appendix A of the report presented to Scrutiny Board on 5th April and re-attached to the agenda papers of 20th April. Considerations included

- the 'fewer-better-geographically distributed' Vision for Leisure Centres, underpinned by the Sport England Facilities Planning Model which was used to assess needs in 2009
- The potential savings from closure or reduced hours, balanced with the loss in participation as a result of closure, and the capacity of the remaining network of sites to absorb displaced users

- The potential equalities and health impact of closure or reduced hours
- Local and site specific factors, for example the good possibility of achieving community asset transfer for Garforth

Appendix A of the report submitted on 5th April (re-circulated with the papers for 20th April) gives information on all sites. The more heavily used and low subsidy centres clearly offered lower savings and greater loss of participation, and therefore consideration focussed on the worse performing sites in terms of participation and subsidy requirement. The following notes highlight some key considerations for district which led to the proposals incorporated into the Council budget.

- **Inner East** - the Vision for Council Leisure Centres proposed closure of East Leeds and Fearnville, when a replacement was built. The Sport England Facilities Planning Model demonstrated one pool could serve and was needed for the shared catchment. Closure of both East Leeds and Fearnville would leave significant area of the city un-served, and would be a major departure from the Vision for Council Leisure centres. Sharply reduced hours at both sites would generate significant savings but would divert money from keeping facilities available on good opening hours, into buildings maintenance and energy costs for duplicate sites. Therefore closure of one would be preferable. The scale of combined losses meant that reduced hours at only one of these sites would not contribute sufficiently to the overall savings required.
 - East Leeds - low throughput (137,000 visits), low income, high deficit. Fewer Leeds card Extra visits than the alternative option of Fearnville. The 2010/11 budget had allowed for only part year operation of this site, as it assumed that community asset transfer would be effected during the year. This opportunity had been advertised but had failed to achieve a successful outcome. Other council services based at this site were actively considering moving away.
 - Fearnville – throughput low but higher than East Leeds; potential saving from closure lower than East Leeds. Leeds Card Extra visits higher than East Leeds (indicating higher use by disadvantaged people).

Conclusion: reaffirm long term Vision to replace both sites, but close East Leeds now. Reaffirm willingness to effect CAT if a sustainable proposal can come forward.

- **Outer East** - The Vision for Council Leisure Centres proposed closure of Kippax and Garforth, when a replacement was built. The Sport England Facilities Planning Model demonstrated one pool could serve and was needed for the shared catchment. Closure of both Kippax and Garforth would leave significant areas of the city un-served and would be a major departure from the Vision for Council Leisure centres.
 - Kippax – estimated £366k saving if closed; low throughput (120,000). Recent spend on pool hall roof etc. Low likelihood of achieving Community Asset Transfer particularly if pool required to remain open. Capacity to absorb large part of displaced use if Garforth hours

reduced. Only pool in area: if hours were sharply reduced, there would be a serious unavailability of swimming capacity in daytimes.

- Garforth – estimated £317k saving if closed, £200k if on sharply reduced hours. Dry facilities; large squash provision but no pool. Much better financial performer than Kippax but no pool. Premier squash facility in the city, heavily booked at peak times but low usage levels during week days therefore comparatively low impact of reducing hours. Low Leeds card extra usage. Good chance of achieving Community Asset Transfer, so reduced hours would be a temporary or fall-back position.
- John Smeaton - estimated £361k saving if closed. Recently refurbished, high throughput site with school sharing facilities; subsidy per visit only £0.02p, making this one of the council's most cost-effective sites.

Conclusion: No case for considering closing or reducing John Smeaton. Although higher savings would accrue if Kippax were closed or put onto reduced hours, this site should remain fully open because of the pool. Officers initially discussed full closure of Garforth, but the final proposal included the alternative of reduced hours as this reduced the impact on users and because full closure might reduce the viability of CAT if turnover was permanently lost or the building deteriorated.

- **South**

- Rothwell - High volume, delivers a small surplus per user, fairly distinct catchment area means fewer people and less income would transfer; saving per lost visit low.
- Morley – no effective saving from closure or reduced hours, as contractual commitment under PFI contract to pay for building availability. New build. Highest throughput in the city. No financial or service case for reduction or closure.
- John Charles Centre - large new multi sport complex with very high total visits, although significant subsidy level. Aquatics centre has capacity to absorb effects of pool reduction elsewhere. Caters for city wide as well as local users, closure or short hours would remove the “ladder” for people to progress from learner to sports excellence. There is a need to make this site more accessible and attractive to local users.
- Middleton - high subsidy per visit and declining usage; needs major work on pool plant soon. Sport England's Facilities Planning Model identified the pool as surplus to need. A substantial Section 106 sum was available for investment in playing pitches and associated facilities (changing rooms and access areas) but was not applicable to the pool.

Conclusion: At Middleton, invest in dry side facilities via Section 106 funding and close the pool. Develop plans to improve accessibility and attractiveness of Aquatics Centre to local people.

- **Inner West**

- Armley - no effective saving from closure or reduced hours, as contractual commitment under PFI contract to pay for building availability. New build, high throughput. No financial or service case for reduction or closure.
- Kirkstall – potentially high savings from closure or reduced hours, but high throughput and comparatively low subsidy per visit; therefore reducing this site impacts on a comparatively large number of people. Uncertainty over future of Holt Park. High Leeds card extra usage .
- Bramley - high costs, low throughput; key activity down 30% compared to 2008, due to competition from new Armley centre; proximity of other sites in district. Listed building with unique characteristics.
- Pudsey - high throughput, low deficit per visit, despite Armley effect. Many current users might divert to sites outside Leeds, not other sites in Leeds, if reduced or closed. Therefore little service or financial case for reducing or closing. Provides alternative facility for daytime users of Bramley if the latter reduced.

Conclusion: officers initially considered full closure of Bramley but ultimately recommended that reduced hours would be preferable, in view of the unique heritage value of this site, the lack of viable alternative uses, and because once closed it might deteriorate, jeopardising the opportunity to re-open. Consultation with the Executive confirmed this approach was preferable.

- **North \ North West \ North East**

- Scott Hall - recently upgraded with national Free Swimming capital funding. High usage, low deficit and low potential savings. No real service or financial case for reduction.
- Aireborough - high volume low deficit site, discrete catchment area means less income would transfer and high impact on users if reduced hours or closed; saving per lost visit low.
- Holt Park – there was uncertainty over the position on the PFI bid to replace this site with a Well Being Centre, which was under review by the Government when the Council's 2011/12 revenue budget was being set; any closure or reduced hours proposal might have adversely affected the success of the bid. The PFI funding has now been confirmed.

- Otley – this is a shared use school site; most of the costs falling on sport are covered by income; low estimated savings and low potential savings per lost visit.
- Wetherby - discrete catchment area meaning there would be a high impact on users and low income transfer, therefore a low saving per lost visit.

Conclusion – no proposals for reductions in these parts of the city.

Q2. Why was Garforth selected, rather than Kippax?

See commentary on the Outer East area in the answer to Question 1 above; also paragraph 4.12 of the report to Scrutiny Board on 5 April 2011.

In general, swimming pools require much heavier public funding than dry side facilities, but swimming (particularly the opportunity for children to learn to swim) is regarded as an essential provision, so retention of an adequate network of pools is necessary. This is not the same as saying that every pool must be protected; valuable guidance is provided by Sport England’s facilities planning model. In this case it commented that:-

“The model projects a significant throughput at all three sites tested – Garforth Community College, the A63 site and the existing Kippax site ..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.”

In terms of social impact, the health service had previously declared that the Outer East was not a priority for PFI funding, due to its perceived lower levels of deprivation. This left the ambition to have one new centre without a current funding option. The city’s index of multiple deprivation demonstrates that despite pockets of high deprivation in Mickelfield and Allerton, the general depriving ranking for the Outer East is in the average range.

Q3. Why can’t the council run Garforth at a surplus like the Schools Partnership Trust apparently hopes to?

There are several reasons why the site would be more sustainable with the SPT., principally:

- The SPT may get charitable relief on the £33k NNDR bill, reducing property costs.
- The SPT can use unused off-peak week day capacity to deliver services; this saves them the cost of alternative premises.
- The SPT can use the sports facilities to enhance P.E. activity for its students, bringing a significant non-financial benefit.

Q4. How did you assess the financial impact of closure, bearing in mind income would be lost as well as costs being saved?

Paragraphs 4.3 to 4.9 and Appendix A of the report submitted on 5th April (also attached to the papers for 20th April), show the key elements of this assessment.

The net subsidy was considered overall and also in terms of subsidy per user. The experience of closing Morley and Armley in 2008 and 2009 for rebuilding showed that over half the use of the sites relocated to other Council sites. However it was considered that the % would vary with:

- the distances to neighbouring council centres and transport links
- the proximity of private competitors (e.g. Esporta at Holt Park & Pudsey)
- the mix of services offered by the facility, its neighbours and competitors (pool income more likely to stay with council, gym sessions less so)

Further checking was done on high deficit sites, looking at:

- the existing programme at centres and the extent to which group activities, such as swim lessons, club sessions and fitness classes, could be redirected to remaining sites
- A line-by-line consideration of different types of income, e.g. squash, swim lessons, school swimming space hire etc.
- The use by card holders of other council sites. This produced quite a high correlation with the initial estimates.

The figures are best estimates, and can be questioned. The 70% estimated income loss estimated if Scott Hall were to close, was raised at Scrutiny on 5th April as being too high. The initial assessment here was that a large proportion of existing users would transfer to non-city council facilities, such as the new university pool and large private sector gyms in the north of the city, rather than to alternative council facilities. The uncertain state of the proposals for Holt Park also made it difficult to be more certain about the scope for redirecting usage such as swim lessons, where private clubs with pools are increasingly regarding junior swim lessons as an early evening income opportunity. In general, as emphasised in the original report, decisions were taken in the round rather than being determined by any one column of figures. Where figures were projections rather than historic facts, account was taken of this.

Account was also taken of the potential interaction between sites. This is fundamental to the principle of keeping a fair geographical cover, but impacts particularly in that if one facility in a district closes or reduces hours, the operating performance of other facilities in the district will improve as they receive displaced users. Conversely, when facilities close or move to reduced opening hours, the scope to consider savings at the remaining facilities is reduced.

Q5. What work was done on the potential for community asset transfer of East Leeds?

Invitations for expressions of interest were widely made in March 2010. A wide range of information was supplied to two charities. Discussions with one expression of interest were abandoned when it became clear they wanted a considerable ongoing financial commitment from the council. Discussions with the Leeds

Foundation were initially suspended and eventually abandoned after the death of Jimi Heseldene.

The council remains open to exploring further expressions of interest from any quarter.

Q6. Was deprivation taken into account in the choice of sites for closure\reduction?

A full equality impact assessment was undertaken and published on the council's web site when the budget proposals were published (and can still be found on the web site). This took account of the demographic profile of the locality and of the user catchment, and indicators of the demographics of users including disability, economic disadvantage, ethnicity, age and gender. The best comparable annual figures were for 2007/08, before the large scale temporary closures and the advent then cancellation of Free Swimming for over 60s and under 17s. The analysis included assessment of the number of users from deprived areas who travel to higher quality sites in preference to poorer sites in the locality, as this was a key concern (which has been strongly articulated in objections to the closures/reductions in hours).

Appendix A to the Scrutiny report of 5th April shows the actual number of visits by holders of Leeds card Extra (for people on income or disability benefits). This is a useful comparative indication of how many disadvantaged current users stand to be affected by any closure.

The Sport England facilities planning model (FPM) assessed the accessibility of swimming for households without access to cars. It also used the relative propensity of families with different characteristics to use swimming pools. The data has a strong correlation with deprivation data, and the 2009 FPM predicted the number of weekly visits that might be lost as a result of rationalisation. As reported in 2009, Sport England noted that some loss of some visits was inevitable in moving to a 'fewer-better sites' model. However in their opinion the overall impact across the city, including on all deprived areas (including those who found themselves nearer to a better facility, or having their local facility improved) was positive.

The FPM assumption that many people in deprived areas will travel further to go to better facilities has been confirmed by real experience at South Leeds after Morley and Armley reopened. It is also demonstrated by the high number of Leeds Card visitors to some sites in more prosperous areas,.

In October 2010, before budget proposals were formulated, officers considered a deprivation centred model, to see if health inequalities could be reduced by closing facilities in more affluent areas and retaining those in poorer inner city areas. It was concluded that this would not deliver a viable approach, partly because even sites in more affluent areas receive significant patronage from deprived users, partly because the resulting closures would leave a poorly distributed and very inefficient network, meaning that to achieve savings requirement which drives the whole exercise would require much more extensive closures, ultimately impacting on even more deprived people. There would also have been other negative effects including

the probable increase in traffic from places like Guiseley, Wetherby and Pudsey required to access swimming lessons.

Q7. Were transport difficulties taken into account?

Yes. The FPM takes account of access to different modes of transport and distance. There are also time-of-day effects, for example specific provision for disabled people is much more available during normal working hours than in evenings and weekends.

Having said this, there is no doubt that some users of centres which are closing or reducing hours, will have difficulty or may not be able to access other sites. The rationalisation is not presented as desirable in service terms, but it seeks to minimise negative impacts in the specific proposals for savings.

Q8. Could the budget savings not have been made from back office costs and staffing levels instead of front-line services?

The 2011/12 budget also included significant reductions in staffing costs, energy and procurement costs and other economies. Price increases were also introduced where the market would bear it, but with increased discount for disadvantaged users via Leeds Card Extra. The reductions in front line service were the last resort, not the first choice.

Q9. Could the budget savings have been made by wider reductions in opening hours?

Officers considered reduced opening hours for a number of sites in late 2008 (East Leeds, Middleton, Kippax & Fearnville) for potential savings of £150k-£200k in 2009/10 but these were overtaken by the Free Swimming Initiative, which increased throughput at these sites. The suggestion was evaluated again in September 2010.

The scope for savings is limited by the significance of Bodyline membership in the service budget. A reduction in opening hours at the sites with heavier use would be projected to deter a significant number of members, causing them to switch to private sector competitors, so this would be financially counter-productive.

To achieve savings, peak usage hours would be retained and it would be off-peak hours that would be affected (although this is partly offset by higher labour costs during peak evening hours). At some generally low throughput sites, significant savings could have been made from reduced hours, but (as discussed above for Kippax) the impact would be to leave the whole service with insufficient capacity to meet demand for school swimming etc, so service considerations prevented this being progressed.