

## **SCRUTINY COMMITTEE**

THURSDAY, 14TH NOVEMBER, 2019, 6.00 PM

CROSS ROOM, CIVIC CENTRE, WEST PADDOCK, LEYLAND, PR25  
1DH

### **SUPPLEMENTARY AGENDA**

I am now able to enclose, for consideration at the above meeting of the Scrutiny Committee, the following information:

**6 Leisure Partnership**

Report of the Assistant Director of Projects and Development attached.

(Pages 38 - 79)

Gary Hall  
INTERIM CHIEF EXECUTIVE

Electronic agendas sent to Members of the Scrutiny Committee

This page is intentionally left blank

# Agenda Item 6

REPORT TO	ON
Scrutiny Committee	14 November 2019



TITLE	REPORT OF
Leisure Partnership	Assistant Director of Projects and Development

Is this report confidential?	No
------------------------------	----

## PURPOSE OF THE REPORT

- In accordance with the Council's Leisure contract this short paper will bring forward a report from South Ribble Community Leisure Trust on the performance of our Leisure Centres and the Leisure Contract over the last 12 months. In addition a paper will set out the key issues going forward that we will need to work on with regards to our Leisure Facilities and the Leisure Contract going forward.

## RECOMMENDATIONS

- To note the submitted paper and attached report.

## CORPORATE OUTCOMES

- The report relates to the following corporate priorities:

Excellence, Investment and Financial Sustainability	X
Health, Wellbeing and Safety	X
Place, Homes and Environment	

Projects relating to People in the Corporate Plan:

Our People and Communities	X
----------------------------	---

## BACKGROUND TO THE REPORT

4. From June 2005, the Leisure Facility Services offered in South Ribble have been outsourced via a Trust Operating Model. This model is a partnership between South Ribble Borough Council, South Ribble Community Leisure Limited and Serco Leisure Operating Ltd.

The Leisure Facilities included within the contract include:

Leyland Leisure Centre.  
Bamber Bridge Leisure Centre.  
South Ribble Tennis & Fitness Centre.  
Penwortham Leisure Centre.  
Penwortham Holme Recreation Centre.

Leisure Services at South Ribble now have a full team of staff with the appointment of Neil Anderson – Assistant Director of Projects & Development, Catherine Southworth – Leisure Contracts & Projects Manager and Jason Ascroft – Facilities Maintenance Officer.

The current issues we are facing with the contact are as follows:

- The current Leisure Contract Agreement ends on the 31<sup>st</sup> March 2021. A number of potential management options are being considered and Leisure Services are looking to identify the pros/advantages/benefits and cons/disadvantages of the different operating models, which can then be analysed/summarised to help choose the best option to take our Leisure Facilities forward whilst providing: value for money, a high quality service and reflecting the aspirations of the Council's new Corporate Plan.. This work will involve both the Trust and ultimately will be a decision for South Ribble Borough Council Cabinet and full Council going forward.
- Condition of our ageing leisure centre stock which currently has a high maintenance backlog and requires investment to keep the facilities standing still. Officers are drawing up a costed investment plan for the Council's Leisure Centres that is affordable and hopefully reduces the on-going revenue subsidy at those sites for the next 5 years.
- Ongoing work on potential options for a new Leisure Campus project in South Ribble.

## PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

5.

- a. We are at the point of appointing FMG Consultancy to undertake an options appraisal as to possible ways forward on future management arrangements at our Leisure Centres. A waiver of Contract Procedure Rules has been submitted for FMG Consultancy to take us through the whole process including the following stages:

<b>Project Stage</b>	<b>£</b>
Project Kick Off Meeting	250
Stage 1 – Masterplan Paper	1,000
Stage 2 – Consultation, Operational Review, Site Visits, Workshop	2,800
Stage 3 - Management Options Appraisal	2,500
Stage 4A – Procurement Options	2,000
Stage 5 - Reporting	2,300
<b>Total Cost of Base Option Proposal (above)</b>	<b>10,850</b>
Stage 4B – Shadow Bid	3,450
Stage 4C - Contract Negotiation Support	1,450
<b>Total Cost for Stage 4B and Stage 4C</b>	<b>4,900</b>
Stage 6 - Procurement process	39,600
<b>Total Cost for Procurement Process (Optional)</b>	<b>39,600</b>

- b. A potential investment plan is being developed for our existing Leisure centres is currently being worked up in partnership with Serco Leisure Operating Limited. This is based on the conditions surveys that were carried out in 2016 and our own visits to the leisure centres. It will be based on a hierarchy of Health and Safety through to Enhancement. The idea of the investment would be to sustain our existing Leisure Centres over the next 5 years which is roughly the time it would take before any new facility was built and opened. We will also use the proposed investment as an incentive to get a better management fee deal with Serco if we were minded to give them a short extension. Again final decisions made on any investment or agreeing a contract extension will be a decision for Cabinet and full Council

## FINANCIAL IMPLICATIONS

6. In September, Council approved a budget of £50,000 for professional fees. If the procurement process option is progressed, then there is a potential budget shortfall of £5,000 which will need to be addressed.

## LEGAL IMPLICATIONS

7. There are no direct legal implications arising from this report

## COMMENTS OF THE STATUTORY FINANCE OFFICER

8. Provision will be made in the budget and medium term financial strategy assumptions for any potential financial implications of the future arrangements for the management of the leisure contract and also the capital investment required in the facilities.

## COMMENTS OF THE MONITORING OFFICER

9. This is a major project for the council of course. Whilst there are no legal implications arising directly from this report nevertheless Legal services will be strongly involved in the project moving forward.

## OTHER IMPLICATIONS:

<p>► <b>Property &amp; Asset Management</b></p>	<p><i>There will be a property impact whatever decisions are made on our Leisure Centre going forward.</i></p>
---	--

## BACKGROUND DOCUMENTS (or There are no background papers to this report)

Development of Leisure Centre Campus – Report to Council  
2016 Condition Survey Summaries

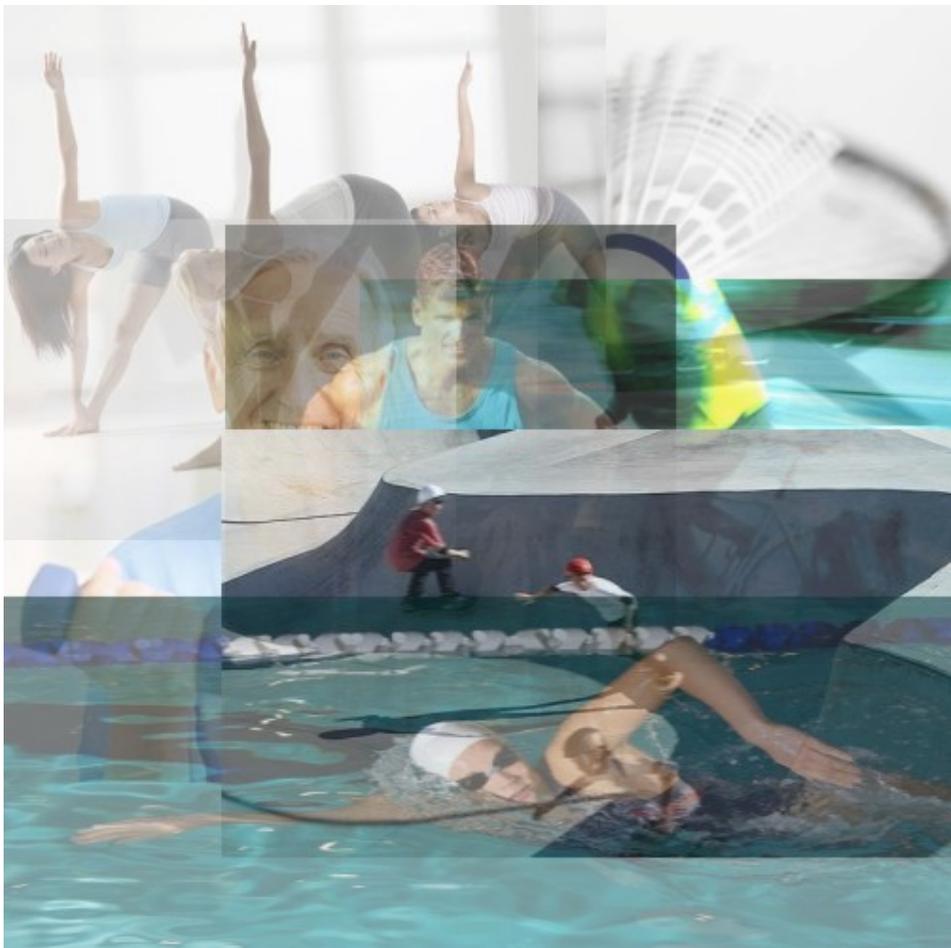
## APPENDICES (or There are no appendices to this report)

Appendix 1 – South Ribble Community Leisure Partnership Performance Update 2019

Neil Anderson  
Assistant Director of Development & Projects

Report Author:	Telephone:	Date:
Catherine Southworth, Leisure and Projects Manager		29.10.19

## Report to: South Ribble Borough Council Scrutiny Committee



### OUR VISION

***“South Ribble to be a healthy active Borough, to be known for its richness of accessible high quality leisure activities and services and where every resident and visitor will have the opportunity to improve their health, wellbeing and quality of life”***

## 1. Introduction

Thank you for giving me the opportunity to report to this Scrutiny Committee the significant achievements made last year through the South Ribble Community Leisure Partnership. We continue to provide top quality services to the community within South Ribble and beyond and with this report I aim to show the commitment of the Leisure partnership to increasing sport and physical activity uptake in the coming years.

The Leisure Trust welcomed the support that this Committee gave to the work of the Partnership to date and now welcome the opportunity to present a full year report for 2018. The recommendations made at the last Scrutiny Committee have been considered by the Trust and agreed. This report includes reference to some of the recommendations however I will expand on these at the Scrutiny Committee.

Firstly, I start my report with headlines which give an overview of the impact the Leisure Trust is having within the community as well as some financial information to demonstrate our drive to ensure continued value for money to both the Council and our customers.

Secondly, this is followed by highlighting particular activities undertaken by the Partnership within the facilities and wider community. These I present under the Trusts four Strategic objectives of

- a. Developing Active Lifestyles
- b. Enhancing Facility Provision
- c. Raising the Profile of Sport and Active Leisure
- d. Supporting Community Sport

The penultimate section of this progress report will give a broad overview of our activities since commencement of the partnership and particularly for 2018.

And finally, I will outline our delivery plan for this year, identifying the aims of South Ribble Community Leisure and clearly identify what we plan to achieve.

## 2. Headlines

Since the inception of the Partnership (**June 2005**):-

□ Swimming Participation – the swimming pools annually attract over 250,000 swimmers per annum, resulting in over 3,200,000 swimming visits have been enjoyed.

□ 48 primary schools make use of the swimming pools on a weekly basis for the Educational Swimming Programme, resulting in over 29,000 school children in years 4 & 5 have been taught to swim since 2005.

□ In addition, our Swimming lesson programme has taught over 55,000 individuals to swim in the same period. Now we have over 3,000 participants taking up weekly swimming lessons, which was just over 1,500 in 2005.

□ Over 6.4 million visits to the fitness suites (Gyms) have taken place since June 2005, with circa 6,000 individuals using our 4 suites on a regular basis.

□ Over 590 individuals play tennis on a weekly basis, with over 90 adults taking part in weekly organised coaching sessions and now over 500 children per week taking part in lessons. A

total of over 44,000 visits to play tennis each year.

### Since January 2018:-

- 771,342 attendances were recorded across the facilities between January and December 2018, this compares to 767,894 during the same period in 2017, and shows a slight increase in overall attendances.
- Since the beginning of 2018, we have recorded a positive movement in Fitness Suite Memberships with the overall number of members increasing to 5,901 (from 5,395 in 2017). This affirms the qualitative and value for money offering in South Ribble with keen prices and high quality offering and despite very strong local competition the fitness membership has grown consistently over the last 3 years.
- Swimming Lessons continue to be a major focus and consequently are performing very strongly, with an overall 1% increase in participation since 2017, we now have over 3,000 children taking part on a weekly basis.
- Tennis courses also continue to perform well, with an impressive 505 participants on a weekly basis putting South Ribble Tennis in the top 3 Tennis Centre's in the UK.
- Gymnastics have shown considerable growth over the last 2 years with 581 weekly participants, this has been effected by using South Ribble Tennis Centre as Gymnastics Centre of excellence and the participation at the tennis centre has grown from 88 in 2016 to 464 in 2018.
- During 2018, we have seen a increase in overall costs to SRBC for the Leisure Partnership, with the Leisure Management Fee itself increasing by £19,000. This is the first time the fee has increased in 7 years and this is due to the NJC pay increase equating to 3.9% and utility tariffs increasing.
- Operational Income during 2018 provided an overall operating surplus of £466,935 (including Leisure Services Fees); income generated during the year was £3,480,588, which is a 3% increase on 2015 (£3,366,918).
- Utilities – show an increase of £31,000 (9%) when compared to 2017, the increase is due to considerable increases in tariff during 2018 as consumption was down 2%, aided by LED light replacement.
- The refurbishment of the Artificial Turf Pitch at Penwortham Leisure Centre (Mid 2015) led to a significant increase in usage which has stabilised in 2018, however this same period has seen approx 30% growth at the 4 x 5-a-side 3G pitch conversions at South Ribble Tennis Centre.

## 3. 2018 Highlights

### a) Developing Active Lifestyles

In addition to the number of members on the 'base' Leisure Card increasing by over 3% during 2017, South Ribble Leisure introduced a new category for 11 to 15 year olds which has resulted in over 500 individuals taking up the opportunity to participate in affordable leisure activities.

Attendances on the Swimming lesson programme have increased by over 1% during 2018, with 23,000 participants now taking part in the programme.

During 2018 the trust continued to work closely with the swimming club ( Leyland Barracudas) to both improve the development pathway from the swimming lessons to the club and offer workforce development programmes for the older swimmers to allow pathways to work which included gunded lifeguard and swimming teacher courses.

During 2018 we attracted funding from Sport England to run this girl can, ladies only swimming sessions and lessons at both Bamber Bridge and Penwortham, attracting over 2,000 new swimming attendances over the year

## b) Enhancing Facility Provision

Whilst the major capital investment program was concluded in 2017 with the refurbishment of Leyland Leisure centre gym a number of capital projects have enhanced the facility provision in 2018.

New spinning bikes were purchased for Leyland – this started a national partnership with Kaiser spin bikes, that has been very positively received at the site.

Additionally the fitness provision at Bamber Bridge has been enhanced with the introduction of a large range of virtual fitness classes boosting the weekly number of classes from 14 to 44.

## c) Raising the Profile of Sport and Active Leisure

A customer satisfaction survey was undertaken during April 2018, the headline results are tabled below:

<b>Consolidated Summary</b>		
		Average Weighted Score out of 5
<b>Overall</b>		
Best Weighted Score	Value for money	<b>4.6</b>
Lowest Weighted Score	Availability of Information Leaflets	<b>3.6</b>
<b>Telephone</b>		
Best Weighted Score	Politeness and helpfulness of member of staff	<b>4.4</b>
Lowest Weighted Score	Ease of getting through	<b>3.7</b>
<b>Reception</b>		
Best Weighted Score	Friendliness of Staff	<b>4.5</b>
Lowest Weighted Score	Length of time waiting	<b>3.8</b>
<b>Changing Area</b>		
Best Weighted Score	Cleanliness of Changing Facilities	<b>4.1</b>
Lowest Weighted Score	Availability of soap, paper towels etc.	<b>3.7</b>
<b>Our People</b>		
Best Weighted Score	Friendliness and Approachability	<b>4.3</b>
Lowest Weighted Score	Availability of Staff	<b>4.0</b>

Action plans were developed, with significant improvements made.

A new trial telephone system is being tested at Leyland Leisure Centre whereby the phones use the internet for the service as opposed to telephone lines, this is seamless to the customer.

The second phase is to adapt smart technology utilising a natural language recognition system which will be rolled out in 2019.

South Ribble Community Leisure are pleased to announce that they have hosted a number of prestigious events during 2018, these include:

- Lancashire girls cricket finals
- North of England Junior Tennis Championship (Wimbledon Qualifier)
- The 'Northwest Challenge', an International Tennis Federation world ranking 'wheelchair' tournament
- South Ribble Schools Swimming Gala
- Leyland Barracudas Swimming Gala

Our employees have again been active throughout the year, attending the majority of fetes, festivals and school galas to promote the activities on offer at our facilities.

A number of outreach activities were undertaken throughout 2018 in association with a number of partners, including the Primary Care Trust, Amateur Swimming Association, Lawn Tennis Association and Tennis Lancashire. Outreach work has enabled South Ribble Leisure to provide an opportunity for every primary school reception pupil to receive a 'free' swimming taster session and also enabled 420 primary school children to enjoy a qualitative tennis experience.

We have built on the introduction of the new 'marketing' initiatives in 2018 and hosted a number of successful 'Open Days' across our four main facilities.

#### **d) Supporting Community Sport**

We continue to provide additional activities to enable people with physical and learning disabilities to take part in physical activities, these include:

- Wheelchair Aerobics at Leyland Leisure Centre
- Swimming / Water base activities at Bamber Bridge and Leyland Leisure Centres
- Table Tennis at Bamber Bridge

The LTA funded Tennis for kids program was rolled out at South Ribble Tennis and Fitness Centre generating over 200 attendances, with each participant receiving a free course of 6 tennis lessons and a free starter racquet

## **4. Overview**

### **Performance**

Admission charges are reviewed annually, and an RPI increase was applied to the majority of admission charges, with some notable exceptions of the Leisure card fee remaining frozen and the introduction of a new reduced rate junior membership for 11 to 17 year olds at just £10 a month – generating approx 200 new junior members.

Investment programme delivered on time and within budget.

All pre-planned maintenance carried out according to programme timetable.

Leyland, Bamber Bridge and Penwortham Leisure Centres, along with South Ribble Tennis and Fitness Centre maintained their 'QUEST Accreditation' and improved their respective qualitative scores; all facilities have been commended by the independent external assessors.

<b>QUEST ACCREDITATION</b>				
YEAR	Bamber Bridge LC	Leyland LC	Penwortham LC	Tennis Centre
2008/09	<b>Very Good</b>	<b>Very Good</b>	<b>Good</b>	<b>Good</b>

Significant increases in attendances on 2015, which has increased by over 22% since 2005.

An overall 9% Decrease in Utility Consumption since 2005, primarily due to investment in new plant and equipment and also staff training, utility consumption continues to be monitored on a daily basis.

## Financial Performance

### INCOME GENERATION

YEAR	Bamber Bridge LC	Leyland LC	Penwortham LC	Tennis Centre
2006	£545,328	£731,704	£641,511	£550,587
2007	£551,238	£912,788	£642,696	£602,589
2008	£582,964	£961,994	£623,520	£626,936
2009	£566,545	£961,094	£554,322	£565,030
2010	£548,792	£917,365	£539,875	£532,213
2011	£527,111	£969,520	£619,844	£571,700
2012	£673,338	£1,094,490	£673,338	£621,774
2013	£736,198	£1,290,803	£826,873	£647,076
2014	£728,290	£1,240,536	£667,516	£576,548
2015	£679,712	£1,137,809	£645,040	£557,715
2016	£682,904	£1,131,420	£748,256	£601,027
2017	£684,140	£1,198,470	£758,329	£722,098
2018	£708,668	£1,264,693	£728,972	£750,294

Note: The Income figures above include the Leisure Services Fees payable by SRBC.

### EXPENDITURE

YEAR	Bamber Bridge LC	Leyland LC	Penwortham LC	Tennis Centre
2006	£757,088	£921,884	£790,459	£634,411
2007	£716,560	£823,409	£685,417	£594,758
2008	£684,026	£799,622	£668,773	£620,323

2009	£617,237	£819,709	£668,381	£553,188
2010	£628,614	£841,201	£678,748	£500,389
2011	£640,245	£910,796	£670,871	£479,419
2012	£652,017	£977,054	£678,915	£505,715
2013	£645,606	£977,948	£701,961	£482,053
2014	£646,164	£985,718	£648,863	£463,045
2015	£601,372	£964,177	£656,097	£452,974
2016	£632,421	£1,023,478	£589,356	£479,105
2017	£628,158	£878,449	£635,135	£547,080
2018	£663,341	£1,033,750	£713,210	£597,165

Note: The Expenditure figures above do not include any costs associated with Repairs, Maintenance or Facility Investment nor do they include any management costs from an South Ribble Borough Council perspective.

## 5. 2019 Delivery Plan

### a) Developing Active Lifestyles - Increase Participation / Attendances

- Retain our existing clientele
- Review our existing programmes, with a view to providing a wide and varied programme of activities across all disciplines
- Further develop our programme of junior activities across the Borough
- Work with relevant organisations and agencies (including the proposed GP Consortia) to address the physical activity needs of South Ribble residents with Health Conditions.

### b) Developing Active Lifestyles - Be 'More' Inclusive

- Provide additional activity sessions across the Borough for people with disabilities
- Increase the number of opportunities available for older people to participate in physical activities.

### c) Supporting Community Sport - Work with Neighbourhoods

- In collaboration with partners further develop 'Diversionary Activities' within our existing facilities
- Host a series of outreach events across the Borough to raise the profile and awareness of physical activity opportunities available within local communities.
- Work with South Ribble Borough Council to provide other opportunities across the Borough for the local community to undertake physical activity, particularly within local green spaces and parks.
- Ensure sport and leisure contributes to the local neighbourhood priorities.

### d) Raising the Profile of Sport & Active Leisure - Inspire People

- Increase the number of girls participating in physical activity.
- Increase the number of participants in Gymnastics Activities by offering additional classes and developing an 'Excellence' centre within the Borough.
- Increase the number of children participating in Tennis based activities.
- Develop opportunities for more children and young people to progress into 'Leyland Barracudas' swimming squad.

### e) Enhancing Facility Provision - Improve Facilities

- Extend the car parking facilities at South Ribble Tennis Centre.
- Ensure that all employees receive adequate training in Customer Care.
- Ensure that all employees are adequately trained in Safeguarding

REPORT TO	ON
COUNCIL	25 SEPTEMBER 2019



TITLE	REPORT OF
DEVELOPMENT OF A NEW LEISURE CAMPUS IN SOUTH RIBBLE	THE CHIEF EXECUTIVE/ ASSISTANT DIRECTOR FOR PROJECTS AND DEVELOPMENT

IS THIS REPORT CONFIDENTIAL?	NO
------------------------------	----

**PURPOSE OF THE REPORT**

1. To bring before Council the history of the Leisure Campus project over the past few years and provide an up to date assessment as to where the project currently sits.
2. To provide a context for the project in terms of an understanding of the current state of the Leisure Centre stock within South Ribble.
3. To provide options around potential next steps for the project going forward.
4. To provide a brief summary as to the current Management operation of South Ribble's Leisure Centres and request permission to explore a number of potential options as to the future management arrangements for the Council's Leisure Centres.

**RECOMMENDATIONS**

5. That Council request officers prepare a Master Plan for the future of Leisure Services and Leisure facilities in South Ribble to be considered by a newly set up cross party working group to be ultimately brought back and adopted by full Council.
6. That Council authorise officers to explore the financial options outlined in the report to provide a sustainable financial solution to take forward a Leisure Campus project.
7. That Council requests officers to draw up a costed investment plan for the Council's remaining Leisure Centres that is affordable and reduces the on-going revenue subsidy at those sites for the next 5 years.
8. That Council formally requests officers to consider future management options for the Council's Leisure Centres. To bring back recommendations as to the way forward which includes the possibility of continuing to work with our current operator in the short and long-term against alternative options available including a potential in-house operation and a Trust operation with a view to reducing the on-going Leisure subsidy.
9. That Council authorises officers to create the necessary budget in order to seek the necessary, legal, financial, HR and Leisure advice and support, to develop viable future Leisure Centre management options.

**REASONS FOR THE DECISION**

10. It has been recognised for a long time that a decision is required as to where the Council should go with regards to the future development of our Leisure Centres. The conditions survey highlighted in this report shows that for the Leisure Centres to standstill there will need to be a significant investment. In addition considerable time and resource has already been spent in looking at various options around building a new Leisure facility in the Borough. The current project highlighted in this report has involved a commitment of over £0.5m in developing the scheme to this point. This context has led to this report and the decisions and recommendations put before Council today.
11. The current contract with South Ribble Community Leisure Ltd and SERCO Leisure Operating Ltd ends on March 31 2021. Work now needs to commence of providing Cabinet options as to how the Leisure Centres could be managed post March 2021.

## CORPORATE PRIORITIES

The report relates to the following corporate priorities:

Clean, green and safe	x	Strong and healthy communities	x
Strong South Ribble in the heart of prosperous Lancashire	x	Efficient, effective and exceptional council	x

## BACKGROUND TO THE REPORT

12. It has been known for some time that the Council's Leisure Centre stock is ageing and will require significant investment, replacing or closing in the near future. Leyland Leisure Centre for example was built in 1974 and is approaching the end of its life. A condition survey carried out in 2016 showed at that time that there was a maintenance programme of £1.4m required at the centre through to 2021 in order for the centre to stand still in terms of repairs and maintenance. A similar position is also apparent at Bamber Bridge and Penwortham Leisure centres which were built in in the early 1980s and have a combined maintenance programme of c£2.7m through to 2021 in accordance with the condition survey carried out in 2016. (See appendix 1). South Ribble Tennis centre built in 1994 and extended in 2000 has been invested in and does not have a Swimming pool. However there is still a backlog in maintenance of £0.9m through to 2021. This amounts to a total of £5.2m of backlog maintenance that has been identified through condition surveys at the Council's Leisure Centres that is required through to 2021.
13. Whist the condition surveys carried out were not presented to Cabinet at that time, the knowledge that our Leisure centre stock was ageing and falling into dis-repair provided the context in which consideration was given to the development of a new Leisure Centre in the Borough.
14. Through 2016/17, a facilities review was commissioned and a number of concepts were considered including the development of one Super-sized Leisure Centre in the Borough and closing our existing Leisure stock. A number of sites were considered for this option. Politically however it was felt that closing all the existing Leisure Centres to be replaced by one new centre would not be the wish of local communities who valued their links to local centres.
15. In January 2017 Capita were commissioned to prepare a West Paddock Community master-plan linked to the concept of One Public Estate (OPE), bringing on board public and private sector partners notably the Health Service, LCC etc. into creating a single Leisure and Community Hub across the West Paddock site in Leyland that would replace the

existing Leyland Leisure Centre. Whilst there was support for this concept it became difficult to agree funding and a time line for the project.

16. During 2018 a joint working group of Members was set up which began to pull together a brief for a Campus style Leisure Centre on the West Paddock site that would replace the existing Leyland Leisure Centre. The brief decided upon was about having a high quality attractive building that was environmentally sustainable and would also act as a destination venue that would interact with the open space and wooded area of West Paddock and Shruggs wood. The brief culminated in a Cabinet report been taken in June 2018 which agreed to the appointment of partner consultants to help take the project forward. The report also agreed to the appointment of a client Project Director to act on behalf of the Council in managing the project. A further report submitted to Cabinet on 12th September saw an agreement to appoint consultants Faith and Gould procured through the PAGABO framework on a fixed fee contract of £1.8m to support the Council through the design, procurement and the building of the proposed new Campus style Leisure Centre. There was a belief at that time, based on schemes elsewhere notably Ellesmere Port, that the cost of such a project would be in the region of £15m and this was allowed for in the Capital programme of the Council going forward.
17. Towards the end of 2018 there was a recognition by the Project Director, the consultants and officers of the Council that the brief agreed upon was likely to mean that the overall cost of the project would considerable exceed the £15m budgeted for. Accordingly a report was written for Cabinet in January 2019 but did not go to any formal Council committee.
18. In February/March 2019 the project brief was formally costed by Faith and Gould with a result that the cost of the delivering of the agreed brief on the West Paddock site was around £27m and not the £15m originally envisaged. This was reported to the previous officer leadership of the Council who agreed that a cost engineering process was undertaken. This was done on the basis of maintaining the integrity of the brief for the project which had been agreed. The cost engineering process has resulted in the current project now been considered which has a cost of circa £23.7m subject to detailed design and the procurement process. A second option has also been put forward with additional income generation facilities with a cost back up to around £26.5m. Both costings do take account of buildings inflation and all fees and preliminaries. (A full brief and costings for the project is attached to this report as appendix 2)
19. In May 2019 through the local elections the Administration of the Council changed and a new Cabinet was formed. The new political leadership of the Council were unaware of the increase in the cost of the proposed project.
20. This report has been requested by the new Administration as a means of starting a dialogue within the Borough as to potential options available in taking the project forward that is affordable and does not restrict the ability of the Council to deliver on its wider ambitions. It is worth noting that so far the Council has committed £0.5m towards this project. This project also needs to be set in the context of delivering a planned Sports playing hub for the borough which has been highlighted on the back of the new Playing field strategy now adopted by the Council as a support to the Local Plan.
21. Alongside the consideration being given to the building of a new Campus style Leisure Centre in Leyland and addressing the physical condition of the other Leisure sites, there is also an urgent need to consider the future Leisure Centre management arrangements in the Borough.
22. The Current Leisure Contract is managed primarily through two agreements both of which end on 31 March 2021. The first is termed a Leisure Services Agreement and is between South Ribble Council and South Ribble Community Leisure Ltd which is a bespoke Trust set up in 2005 by the Council to act as the conduit between the Council and the private

Leisure Operator who currently manage the Leisure Centres in South Ribble. The second agreement is termed the Direct Agreement and is between South Ribble Council and SERCO Leisure Operating Ltd which is a private company who manage the Leisure Centres on our behalf through the Trust. Work is now underway with early discussions taking place with both our current Leisure operator and potential other organisations putting forward alternative Leisure delivery models. The next stage is for Council to consider requesting officers to undertake a thorough options appraisals on future Leisure centre delivery options post March 2021. Whatever delivery option is agreed upon for the future will be heavily influenced by whatever decision is taken on the development of the Leisure centres into the future.

23. Going forward it is crucial that the future of the Leisure Management contract, the delivery of new Leisure Facilities, deciding the future of the existing Leisure Centre stock and the delivery of a new Sports Playing Pitch Hub are considered in the round through the production of a concise master plan for the future of Leisure Services and Facilities in South Ribble Borough.

## **DETAILED CONSIDERATIONS**

24. There are three key issues that provide the context and rationale for this report. The first is how the Council wishes to take forward the current Leisure Campus project that is on the table on an affordable basis within the wider framework of the Medium Term Financial Plan (MTFP) at South Ribble
25. The second issue is for Council to consider what direction the future management of the Council's Leisure centres should take, given that the current contract ends on March 31st 2021. This is a complex piece of work which officers will need to undertake to provide Council with potential options around Leisure Centre management going forward.
26. The third issue is to consider the future of the existing Leisure Centres in South Ribble and how they can be sustainably invested in relation to decisions made on what new Leisure Facilities will be developed in the Borough
27. Following the Cabinet decision highlighted above in September 2018 and the appointment of consultant partners Faith and Gould in October 2018, extensive work has taken place in developing a project to build a new Campus style Leisure facility on the West Paddock site adjacent to the Civic centre in Leyland.
28. Initial emphasis was given to bringing to life the brief agreed through Cabinet and providing a vision of what a Campus style Leisure Centre could look like on the West Paddock site or as a stand-alone centre in another part of the Borough (See appendix 2). It is clearly a very exciting scheme which would represent a destination building that interacts with the special landscape of Shruggs wood situated next door. The scheme proposed also reflects the aspirations of the new administration notably, Health and Well-being and the Environment and would allow the Council to focus on initiatives within and around the new facility on Health inequality and Health literacy. The new facilities would include a new 25m, 8 lane swimming pool with a spectator gallery, a 4 court sports hall, a number of meeting and function rooms, a new Gym, Spin and toning studios, a destination café which interacts with the outside and plenty of circulation space. A key part of the brief is the work outside the building which brings Shruggs Wood around the new building and provides a link to the Civic centre and also crucially, pedestrian and cyclist access onto the emerging Green links network (The Leyland loop) currently being developed by the Council. It is worth noting that the building complex itself would be suitable to be developed on a different location within the Borough if that was the ultimate decision of the Council.
29. Whilst considerable work took place early on in animating the brief, what needed to happen quickly was for the brief to be fully costed and a business plan put in place. This was done

during February to May this year. As highlighted above, what quickly became apparent was that the brief developed would cost more than the £15m allocated for in the Capital programme. It was crucial that the new costings for the project were set against a business plan to assess the affordability of the scheme. The Business case for the project was finalised in June of this year along with a Social Value Plan which are available as background papers to this report. The basis of the feasibility and business plan is to show the future financial position of the Council if the decision was chosen to build the new Leisure Campus project based on borrowing the money required to build the new facility. The business plans shows the revenue position of the new Leisure Centre considerably improves on the old Leyland Leisure Centre. This was calculated using a recognised Sport England facilities planning model (FPM) which looks at latent demand for Leisure centre use and applies it to a financial model. The latent demand model was applied to a particular location but could be applied to different locations with a similar outcomes providing that location was near urban centres of population. Further work would be done on this when and if a final location for the new centre is chosen. However, the new revenue achieved would not fully cover the borrowing costs if 100% of building costs were met by borrowing. This is covered in more detail in the finance section of this report below where proposals/options are highlighted as to ways in which the Leisure Centre building costs could be funded differently which would reduce the borrowing costs required making the scheme more affordable. This forms the basis of the second recommendation put forward to Council in this report.

30. A further proposal which has also been requested by Council to be brought forward as a recommendation in this report is for Officers to consider investments in the Council Leisure property estate as a whole. There will be a number of options as to how this could be taken forward and the third recommendation brought before Council today is a request for Officers to consider how an investment plan could be brought forward about the wider Leisure estate which improves the Leisure offer within the borough but also seeks to reduce the on-going Leisure subsidy working with our existing provider.
31. The second issue concerning the future management arrangements for our Leisure centres also requires a direction of travel going forward. Again the do-nothing option has been rejected as the current contract to manage the Leisure Centres ends on 31 March 2021 and work to consider future options needs to begin now and the fourth recommendation brought before Council today reflects that aspiration.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

32. Over the past few years a number of alternative options have been considered around the future of South Ribble's Leisure Centres but discounted. This is highlighted in the background section of the report. This has meant that essentially a 'do the minimum option' has been pursued. This approach could continue but at risk given the condition of the Leisure centre stock as highlighted above with reference to the condition surveys carried out in 2016.
39. On the basis of the condition survey report (See appendix 1) there will be a need to invest a considerable amount of money into our existing Leisure Centre stock just for the Leisure Centres to stand still.
40. On the basis of the above information the do nothing option would not be advisable and has been rejected as a way forward both in terms of the wish to investigate how we could fund the new Campus Leisure centre on an affordable basis and consider affordable ways of investing in the rest of the Leisure estate.
41. Whilst the do nothing option has been rejected a considerable number options do still remain open as to how Council could choose to move forward in developing and improving the Leisure estate in South Ribble. Firstly there is the option of continuing with the current

project of building the new Campus Leisure centre on West Paddock or securing a completely new site for the new Campus Leisure Centre. Secondly there are a number of options outlined in the financial section below as to how the new Campus Leisure Centre could be funded. Thirdly there will also be a number of options as to how Council could develop and sustain the remainder of the Leisure Estate. This could include closing elements of our existing Leisure centres as a means of sustaining and developing centres e.g. closing a second swimming pool beyond Leyland as means of developing the rest of a given site and to financially support the new 8 lane pool built in Leyland or elsewhere.

42. In terms of the future Leisure Contract the do-nothing option cannot be an option. The option of investigating future potential Leisure Centre delivery models needs to be pursued at a pace given the Leisure Contract end on 31 March 2021.

## **WIDER IMPLICATIONS AND BACKGROUND DOCUMENTATION**

### **FINANCIAL IMPLICATIONS**

43. With regard to the provision of a new leisure facility, the feasibility and business plan shows that the forecast revenue position in respect of operating the new facility improves considerably compared to the existing Leyland Leisure Centre. However, there is an additional revenue cost in relation to funding the significant capital investment required to build a new facility. The borrowing costs of a £23.7m scheme outweigh the improved revenue position of having a new Leisure Centre. The approved budget and MTFS assumptions were based on borrowing to fund a £15m project, and therefore there is a budget shortfall to be addressed in order to establish if the proposed new facility is affordable.
44. Based on the costs of the project and the business plan commissioned, a considerable amount of financial modelling and sensitivity analysis has been done to show alternative ways of funding the scheme and also to model the impact of changes in the assumptions in the business plan on the affordability of the proposal. It is important to note that the business plan assumes that the centre will continue to be managed on the same basis as currently and therefore includes a management fee and profit element, assumes VAT relief on sporting income and 100% NNDR relief. In addition to the operating costs in the business plan, an annualised figure for Lifecycle costs of £262,000 has been incorporated into the forecasts.
45. Based on a total capital cost of £23.8m, the revenue implications of the following options have been modelled and the details are set out in the background papers to the report:
- A - With Full Amount Funded From External Borrowing
  - B - With £10m Financed From Internal Balances, £13.8m from External Borrowing
  - C - With £15m Financed From Internal Balances, £8.8m from External Borrowing

In all three options above, an assessment has also been made of the impact of variations in operating income and expenditure. This recognises that there may be variations against the base assumptions in the business case for the new facility.

46. With regard to the future funding available for this project, the council is restricted by the City Deal as it is currently committed to paying over core funding to City Deal in relation to housing and commercial growth in the borough (New Homes Bonus, CIL and Business Rates).
47. Opportunities for funding this project are therefore limited and because there is still a funding gap to address, an assessment has been made of the marginal impact of a reduction in the capital cost or the use of alternative funding sources, such as reserves, external funding or capital receipts has been forecast (expressed as a revenue saving for each £1m met from other sources than borrowing).

48. The results can be summarised as follows:

	<b>Comparative Funding Options</b>	<b>Shortfall against current revenue budget</b>				
		<b>Year 1 £000</b>	<b>Year 2 £000</b>	<b>Year 3 £000</b>	<b>Year 4 £000</b>	<b>Year 5 £000</b>
<b>A</b>	With Full Amount Funded from External Borrowing	731	566	529	522	516
	Impact of variations in operating income and expenditure	909	754	721	714	708
<b>B</b>	With £10m Financed From Internal Balances	594	431	396	391	387
	Impact of variations in operating income and expenditure	772	619	588	583	579
<b>C</b>	With £15m Financed From Internal Balances	535	373	340	336	333
	Impact of variations in operating income and expenditure	713	561	532	528	525
<b>D</b>	Impact of reducing borrowing by £1m	(42)	(41)	(41)	(40)	(40)

49. In assessing all the financial implications of a new facility in Leyland, a valuation of the potential capital receipt from current Leyland site has been undertaken. The market value of the site, assuming that existing buildings have been demolished with site cleared ready for redevelopment, has been valued at £700,000.

50. The report highlights that the stock condition survey work has identified significant costs for repairs and maintenance and replacements which is required to keep the existing centres open. In total, the forecast costs of works required in the medium-term for each facility are as follows:

<b>FACILITY</b>	<b>Estimated Cost Of Works (£m)</b>
Bamber Bridge Leisure Centre	1.413
Penwortham Leisure Centre	1.289
Tennis centre	0.954
Leyland Leisure Centre	1.360
<b>Total</b>	<b>5.016</b>

51. The business case includes assumptions in relation to irrecoverable VAT in relation to the annual running costs based on the current operational model. The operational model adopted for the facility is still to be determined and different options will also have different VAT implications. Specialist advice will need to be taken to determine if there is any potential irrecoverable VAT on both the running costs and the capital build costs and to explore ways to minimise that cost.

## **LEGAL IMPLICATIONS**

52. Please see the Monitoring officer comments below.

## **AIR QUALITY IMPLICATIONS**

53. In accordance with agreed Council policy the future development and management of the Council's Leisure Centres will need to take careful account of Air Quality implications within the South Ribble Borough

#### **HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT IMPLICATIONS**

54. There will be Human Resource and organisational development implications which will need to be taken account of with respect to the future development and management of the Council's Leisure Centres in South Ribble

#### **ICT IMPLICATIONS**

55. The future development of Leisure facilities in South Ribble will need to take advantage of the latest information technology and also help deliver the Council's adopted Digital strategy.

#### **PROPERTY AND ASSET MANAGEMENT IMPLICATIONS**

56. There are significant wide ranging property and asset implications of this report. The report is considering ways forward in investing in a key property asset of the Council notably its Leisure Centres. This report is also recommending that a piece of work is commenced on potential future management arrangements of the Council's Leisure Centre Assets.

#### **RISK MANAGEMENT**

57. Whatever direction the Council chooses to go in investing in a new Campus Leisure Centre, identifying a sustainable investment plan for the wider Leisure Centre estate and establishing a road map for the future management of the Leisure Centres in the future there will be a number of risk factors. Each project will develop bespoke risk registers as the project moves forward
58. There are clearly Risks associated with the present condition of the Leisure Centre stock which are on-going, given the maintenance backlog identified earlier on in this report. Appendix 1 identifies the key findings of the Leisure Centre Condition surveys carried out in 2016 which forms of the basis of the risks of not addressing the key findings of the condition surveys.

#### **EQUALITY AND DIVERSITY IMPACT**

59. A full equality impact assessment (EIA) will be carried out if the Campus Leisure centre moved forward moves forward. It is likely with a new build that there will be both Equality and Diversity benefits with the scheme.
60. There will also need to be a full EIA carried out against any proposals over any future management arrangements agreed in the future for the Leisure Centres in the Borough.

#### **COMMENTS OF THE STATUTORY FINANCE OFFICER**

62. The council has an opportunity to assess its current Leisure provision and in determining the way forward, seek to address the challenging issues outlines in the report. Affordability and sustainability are going to be increasingly difficult particularly with the number of facilities in the borough and ageing leisure centre stock.
63. The ending of the current Leisure Contract provides an opportunity to achieve budget savings going forward and to work with an external provider to resolve funding issues.

64. The building of a new facility is not without financial risk. The forecast running costs and usage figures are based on a set of broad assumptions and market knowledge but they cannot be forecast with any certainty and there are many factors which can have a positive or negative impact. The financial modelling illustrated therefore allows for both a potential reduction in income and an increase in costs to present a more prudent position.

## **COMMENTS OF THE MONITORING OFFICER**

65. Clearly this is a difficult and challenging situation. The council needs to make some important decisions within the very near future over the future of its leisure provision within the borough. There are a number of key issues that will need to be addressed. These issues should really have been addressed before now.
66. Our existing contract arrangements with the Leisure Trust and Serco are due to come to an end on the 31<sup>st</sup> of March 2021. That does not give us a great deal of time to decide on how we would like to proceed. There may be a necessity to negotiate an extension to the existing contract arrangements to allow more time for a considered decision as to the way forward. Longer term we will need to decide whether we want to continue with something similar to our existing arrangements or have a direct agreement with a commercial supplier or indeed whether to provide leisure services through an in house operation. There are risks and opportunities associated with all such proposals. Questions such as degree of control over what is being delivered, ability to access external funds, pension liabilities and financial implications in general will need to be carefully considered.
67. Impacting on all of the above is the proposed Leisure Campus (whether located at West Paddock or elsewhere). Again a decision needs to be made within the near future on this. No doubt central to any such deliberations will be a consideration of the impact on the Medium Term Financial Strategy.
68. Speaking generally some clarity of thought over precisely what we want to achieve is required. The proposed Master Plan could help considerably in this regard.
69. Moving forward it is obvious that we will need to access external specialist advice – both in the legal field but also other areas (e.g. Finance). We shall ensure that the council's financial and reputational interests are protected.
70. Once it is clearer how we intend to proceed then it will be possible to set out in detail what the legal implications of such proposals will be. Clearly though we have to be mindful of contractual and procurement issues throughout. Also (if there is an external provider involved moving forward) then appropriate leases/licences will need to be drawn up. No doubt there will be insurance implications to consider.

## **BACKGROUND DOCUMENTS (or there are no background papers to this report)**

Previous Cabinet reports including a report intended for 24th January 2019 that did not go to a formal Council committee  
Current Feasibility and Business plan for the current proposed Leisure Campus  
Social Value strategy for the proposed project

## **APPENDICES**

- Appendix 1 - Report on the Conditions surveys carried out South Ribble Leisure Centres 2016  
Appendix 2 - Full Brief and Costings for the existing proposed Leisure Campus project  
Appendix 3 - Green Links and Leisure consultation report.  
Appendix 4 - Forecast annual revenue costs

Gary Hall/Neil Anderson  
Chief Executive/Assistant Director of Projects and Development

Report Author:	Telephone:	Date:
Gary Hall/Neil Anderson	01772 62.../625540	25 <sup>th</sup> September 2019

DRAFT

## FORECAST ANNUAL REVENUE COSTS

### A. With Full Amount Funded From External Borrowing

The budget currently available is £375k pa, which includes a savings target of £500k. Using the current costings and assuming that the whole of the estimated capital cost of £23.8m would be funded by external borrowing, then, the estimated position is as follows.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	(148)	(303)	(329)	(326)	(322)
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	992	982	971	961	951
Net Cost	1,106	941	904	897	891
Available Budget	375	375	375	375	375
Shortfall Against Budget	731	566	529	522	516

An assessment has also been made of the impact of variations in operating income and expenditure. The following table shows the results if income is 5% lower, and expenditure 5% higher, than in the current forecasts.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	30	-115	-137	-134	-130
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	992	982	971	961	951
Net Cost	1,284	1,129	1,096	1,089	1,083
Available Budget	375	375	375	375	375
Shortfall Against Budget	909	754	721	714	708

Two other scenarios have been modelled and the projections made from these are shown below.

### B. With £10m Financed From Internal Balances

The first assumes that £10m of the capital costs will be funded by use of internal cash balances, with the remaining £13.8m coming from external borrowing. The results of this, based on the current costings are as follows.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	(148)	(303)	(329)	(326)	(322)
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	855	847	838	830	822
Net Cost	969	806	771	766	762
Available Budget	375	375	375	375	375
Shortfall Against Budget	594	431	396	391	387

Again allowing for income being 5% higher and expenditure 5% higher, then this becomes:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	30	(115)	(137)	(134)	(130)
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	855	847	838	830	822
Net Cost	1,147	994	963	958	954
Available Budget	375	375	375	375	375
Shortfall Against Budget	772	619	588	583	579

### C. With £15m Financed From Internal Balances

The second increases the amount of capital cost to be met to £15m, leaving just £8.8m to be financed from external borrowing. Based on the current costings, the results are:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	(148)	(303)	(329)	(326)	(322)
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	796	789	782	775	768
Net Cost	910	748	715	711	708
Available Budget	375	375	375	375	375
Shortfall Against Budget	535	373	340	336	333

If income was 5% lower and expenditure 5% higher, this would then become:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
Operating (Surplus)/Deficit	30	(115)	(137)	(134)	(130)
Lifecycle Costs	262	262	262	262	262
Borrowing Cost	796	789	782	775	768
Net Cost	1,088	936	907	903	900
Available Budget	375	375	375	375	375
Shortfall Against Budget	713	561	532	528	525

### MARGINAL IMPACT OF REDUCTION IN CAPITAL COST OR USE OF ALTERNATIVE FUNDING SOURCE(S)

If it were possible to either reduce the estimated capital cost, or to identify one or more sources of funding other than external or internal borrowing, then the impact, per £1m, on total revenue costs would be as follows.

IMPACT OF REDUCING EXTERNAL BORROWING BY £1M					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	£'000	£'000	£'000	£'000	£'000
If linked to reduction in cost or replaced by External Financing	(42)	(41)	(41)	(40)	(40)
If replaced by Internal Financing (eg Reserves)*	(33)	(32)	(32)	(31)	(31)

\* Removes the need for MRP, but there is an ongoing loss of interest on the full amount

[South Ribble Borough Council](#)

[Bamber Bridge Leisure Centre \(Withy Grove\)](#)

[Facility's Lifecycle Costing.](#)

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £637,585.00**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£775,121.00 through to 7/07/2022**, this comes to a **total of £1,412,706.00 within 3 years that will need to be spent to stand still.**

[South Ribble Borough Council](#)

[South Ribble Tennis & Fitness Centre](#)

[Facility's Lifecycle Costing.](#)

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £479,842.00**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£474,641.00 through to 7/07/2022**, this comes to a **total of £954,483.00 within 3 years that will need to be spent to stand still.**

[South Ribble Borough Council](#)

[Penwortham Leisure Centre](#)

[Facility's Lifecycle Costing.](#)

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £786,976.00**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£502,079.00 through to 7/07/2022**, this comes to a **total of £1,289,055.00 within 3 years that will need to be spent to stand still.**

[South Ribble Borough Council](#)

[Leyland leisure Centre](#)

[Facility's Lifecycle Costing.](#)

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £732,393.00.**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£628,012 through to 7/07/2022**, this comes to a **total of £1,360,405.00 within 3 years that will need to be spent to stand still.**

This page is intentionally left blank

South Ribble Borough Council Bamber Bridge Leisure centre (withy grove)

Facility's lifecycle costing.

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £637,585.00**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£775,121.00 through to 7/07/2022**, this comes to a **total of £1,412,706.00 within 3 years that will need to be spent to stand still.**

All life exp dates from 7<sup>th</sup> July 2016

Work past due and/or due within the 6-year period listed below –

- Pitched roof poolside – Kalzip standing seam - finish to Kalzip seam, 6yr exp,

Action – replace coating,

Cost - £26,940.00

- PVC rainwater pipes – finish, 5yr exp,

Action – Redecorate

Cost - £280.00

- Aluminium rainwater pipes & finish, 5yr exp,

(Comment per survey - Rainwater pipes damaged/displaced)

Action – Replace

Cost - £1,200.00

- Cavity wall, clay facing, 1yr exp,

Action - Re-point eroded mortar joints

Cost - £400.00

- External windows, porthole (PPC aluminium double glazed), Gaskets & window finishes, 5yr exp,

Action – Replace fittings & recoat

Cost - £220.00

- External windows, timber glazed – finish to windows, 3yr exp,

Action – Redecorate

Cost £2,160.00

- External curtain walling to pool area north elevation, timber glazed – finishes to windows, 3yr exp,

(Comment per survey – Signs of rot evident to timber frame)

Action – redecorate

Cost - £2,760.00

- Main entrance curtain walling Inc. manual swing doors – finishes to curtain walling, 3yr exp,

Action – Redecorate

Cost - £1,950.00

- Pool areas south facing curtain walling Inc. manual swing doors - finishes to curtain walling, 3yr exp,

Action – Redecorate

Cost - £2,400.00

- External doors, single – finish to doors, 5yr exp,

Action – Redecorate

Cost - £240.00

- External doors, double - Hardware & finish, 5yr exp,

Action – Redecorate & Replace

Cost - £1240.00

- External doors, double – Hardware & finish, 5yr exp,

Action – Redecorate & Replace

Cost - £ 1860.00

- External electrically operated shutters - electric motors & Finishes to shutters, 5yr exp,

Action – Replace & Redecorate

Cost - £3818.00

- Louvered doors to plant room – finish, 4yr exp,

Action – Redecorate

Cost - £420.00

- Internal finishes, Eggshell paint, emulsion paint to walls and ceilings – Circulation, ground floor rooms, first floor rooms, stores, 2-3-5yr exp,

Action – Redecorate

Cost - £33,166.80

- Ceramic wall tiling, changing room showers, toilet areas – Grouting, 5yr exp,

Action – Re grout

Cost £4245.00

- Floor finishes, wood block floor to squash court, sports hall and dance studio – finish, 5yr exp,

Action – Strip and re-seal

Cost - £11,106.00

- Softwood skirting – finish & vinyl covered skirting, 3yr exp,

Action – Redecorate & replace

Cost - £830.00

- Ceiling finishes, Suspended ceilings – tiles/infill panels to café area – 2no. water damaged/missing tiles, 1yr exp,

Action – replace

Cost - £ 220.00

- Internal doors, semi-solid half hour single leaf flush door, finishes (Inc. frame), electronically operated closers, 3 & 5yr exp,

Action – Redecorate & replace

Cost - £3105.00

- Semi-solid half hour double leaf flush door – finish, 5yr exp,

Action – Redecorate

Cost - £770.00

- Sanitary appliances, taps to WHB's

Action – replace

Cost - £600.00

- Mechanical services, Boilers, Pumps & BMS, 1yr exp,

(Comment per survey – End of their operational lifespan – controls end of operation lifespan)

Action - Replace

Cost - £240,000.00

- Mechanical services, hot water storage, heating controls, heating pipework, heating emitters, boilers (dry side), pumps dry side, heating controls (dry side), hot water generator (plate) & Ductwork, 1 – 5yr exp,

(Comment per survey – end of operational lifespan)

Action - Replace

Cost - £375,500.00

- Electrical services – Electrics, fuse boards, wiring, accessories, luminaries and fire alarm system, 1 - 3yr exp,
- Intruder alarm system and closed circuit television, 5yr exp,

(Comment per survey – Majority of fuse boards, wiring and accessories at end of life span, majority of lighting and emergency lighting system at the end of its lifespan. Aged fire alarm system & associated devices)

Action - Replace aged LV Dist. & small power installation.

Replace part lighting installations & wiring.

Replace & enhance entire fire alarm system

Cost - £ 223,000.00

- External works, tarmac line-marking – symbols to road surface, 5yr exp,

Action – repaint line markings

Cost - £3,400.00

- Brickwork external step – sports hall fire door, 2 yr exp,

Action – re-point steps

Cost £ 300.00

Annual cost, (based on historical costs),

Term Maintenance Work Package - £1,871.02

PPM - £5,122.76

Repairs & Maintenance - £10,897.10

Utilities - £88,059.41

South Ribble Borough Council Bamber Bridge tennis centre, facility's lifecycle costing.

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £479,842.00**

**Within the next 3 years (2019-2022)**, there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£474,641.00 through to 7/07/2022**, this comes to a **total of £954,483.00 within 3 years that will need to be spent to stand still.**

All life exp dates from 7<sup>th</sup> July 2016

Work past due and/or due within the 6-year period listed below -

- External windows (finishes), 5yr exp,

Action - Redecorate,

Cost – £231.00

- Aluminium gutters, several leaking gutter joints (require replacing), 20-25yr exp,

Action – Re-seal leaking gutter joints, replace as req,

Cost - £1,800.00

- External doors – single, draught strips and gaskets, 5yr exp,

Action – Replace

Cost - £130.00

- External doors – double , draught stops and gaskets 5yr exp,

Action – Replace

Cost - £1430.00

- Internal doors – semi-solid half hour single leaf flush door (door only) – Finishes (including frame), 5yr exp,

Action – Redecorate

Cost - £980.00

- Internal doors – Half hour double leaf glazed timber door (doors only) – Finishes (including frame), 5yr exp,

Action – Redecorate

Cost - £630.00

- Internal finishes – timber internal glazed screens – finish to screens, 5yr exp,

Action – Redecorate

Cost - £2,500.00

- Internal wall finishes/Int decoration – emulsion paint to walls, 5yr exp,

Action – Redecorate

Cost - £3,330.00

- Internal wall finish, re-grouting ceramic wall tiling, 5yr exp,

Action – re grout

Cost - £585.00

- Floor finishes – rooms, 5yr exp

Action – Replace

Cost - £14,700.00

- Paint to skirting, 5yr exp

Action - Redecorate

Cost - £855.00

- Services, sanitary appliances, taps to WHB's, 5yr exp

Action – Replace

Cost - £900.00

- Mechanical services, Boilers , pumps, BMS, 1yr exp

(Comment per survey – End of their operational lifespan, controls end of operational lifespan)

Action – Replace

Cost - £29,000.00

- Air conditioning (R410A), 1yr exp
- Air conditioning – gym (R22), Local extract systems 3yr exp,

Action – None listed

Cost - £87,000.00

- Electrical services, electrics – fuse boards, accessories , wiring, 4yr exp,
- Luminaries, 3yr exp,

(Comment per survey- DB's (distribution boards) in satisfactory condition, wiring and outlets at the end of life. Updating apparent, but some aged lighting and emergency lighting)

Action – Replace part lighting installations & wiring

Cost - £440,000.00

- Fire alarm system, 2yr exp,
- Intruder alarm system, closed circuit television, 5yr exp,

(Comment per survey – Aged fire systems exist some upgraded. Intruder alarm system in satisfactory condition no faults apparent. Closed circuit television system is in good condition, recent upgrades)

Action – Replace aged fire system. Satisfactory condition, replace as falls under PPM

Cost - £80,000.00

- External work, tarmac car parking areas & service roads (surface only) patch repairs, 5yr exp,

Action – Patch repairs

Cost - £2,000.00

- External work, car park line marking, symbols to road surface, 3yr exp,

Action – re-paint line markings & symbols

Cost - £2,175.00

- Block paving's footpaths/hardstanding area, 5yr exp,

Action – Relay paving

Cost - £4,200.00

- Fencing to carpark 1.5m including gate to timber fence , Finish(s), 2yr exp,

Action – Redecorate

Cost - £1,512.00

Annual cost, (based on historical costs),

Term Maintenance Work Package - £1,398.26

PPM - £6,390.89

Repairs & Maintenance - £2,290.36

Utilities - £41,705.23

This page is intentionally left blank

South Ribble Borough Council Leyland leisure centre facility's lifecycle costing.

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £732,393.00.**

**Within the next 3 years (2019-2022),** there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£628,012 through to 7/07/2022,** this comes to a **total of £1,360,405.00 within 3 years that will need to be spent to stand still.**

All life exp dates from 7<sup>th</sup> July 2016

Work past due and/or due within the 6-year period listed below -

- PVC rainwater pipes (finish), 5yr. exp,

Action - Redecorate,

**Cost - £250.00.**

- Ext steel balustrades (finish), 3yr exp ,

Action - Redecorate

**Cost - £450.00**

- Int steel staircase to gym (finish) 5yr exp,

Action - Redecorate,

**Cost - £450.00**

- Int steel staircase to mezzanine store (finish) 3yr exp,

Action - Redecorate

**Cost - £450.00**

- Cavity wall - clay facings to south facing walls 5yr exp,

Action – RE-point eroded mortar.

**Cost - £280.00**

- Wall cladding - finish to Kingspan wall panels 5yr exp,

(Comment per survey - starting to deteriorate)

**Cost - £12,320.00**

- Finish to window boards, 5yr exp

Action - Redecorate

**Cost £ 112.00**

- External window/curtain walling – timber glazed, 3yr exp,

Action - Replace with PPC aluminium double-glazed,

Cost - £ 35,625.00

- Sealed glazed units and hardware, 3yr exp,

Action - Replace

Cost - £4,500.00

- Finishes to windows, 3yr exp,

Action - Redecorate

Cost - £2,250.00

- External doors timber single, 2yr exp,

Action - Replace

Cost - £1,500.00

- Draught strips, gaskets and hardware, 2yr exp,

Action - Replace

Cost - £930.00

- Finishes to doors, 2yr exp,

Action - Redecorate

Cost – £120.00

- Feature entrance doors, finishes to doors 5 year exp,

Action - Replace coating

Cost - £350.00

- Louvered doors to plant room, finishes to doors, 5yr exp,

Action - Redecorate

Cost - £480.00

- Internal walls and partitions, internal glazed screens, finish to screens, 5yr exp,

Action - Redecorate

Cost - £3,000.00

- Internal doors Semi solid half hour double and single leaf flush door finishes, 5yr exp,

Action - Redecorate

Cost - £1,505.00

- Internal finishes, wall finishes/internal decoration, emulsion paint to walls and ceilings, circulation, rooms, sports hall, squash courts, stores, 3 - 6yr exp,

(Comment per survey – heavily marked)

Action - Redecorate

Cost - £61,020.00

- Ceramic tiling splash back to toilets, re-grouting, 5yr exp,

Action - Re grout

Cost - £450.00

- Floor, Woodblock floor to squash courts, sports hall, gym and dance studio finishes, reception area, 3yr exp,

(Comment per survey - surface marking evident)

Action - Strip and re-seal floor

Cost - £14,688.00

- Softwood skirting, finish, 5yr exp,

Action - Redecorate

Cost - £810.00

- Ceiling finishes, suspended ceiling tiles/infill panels, 1yr exp,

(Comment per survey - Numerous water damaged/missing tiles)

Action - Replace

Cost - £200.00

- Services, sanitary appliances, taps to WHB's, 3yr exp,

Action - Replace

Cost - £900.00

- Mechanical services, Boilers, Pumps, BMS system, heating pipes, hot water storage, 1yr exp,
- Pool pumps and pool filters, 6yr exp,

(Comment per survey – Boilers, pumps, BMS and water storage end of their operational lifespan)

Action - Replace

Cost - £321,000.000

- Electrical services – Electrics, fuse boards, wiring, accessories, luminaries and fire alarm system, 1yr exp
- Intruder alarm system and closed circuit television, 5yr exp,

(Comment per survey – Majority of fuse boards, wiring and accessories at end of life span, majority of lighting and emergency lighting system at the end of its lifespan. Aged fire alarm system & associated devices)

Action - Replace aged LV Dist. & small power installation.

Replace part lighting installations & wiring.

Replace & enhance entire fire alarm system

Cost - £ 268,000.00

- External works, tarmac car parking areas & service roads ( surface only), tarmac repairs, line marking and perimeter path, 5yr exp

Action - Re-paint markings, repair tarmac

Cost - £9,500.00

Annual cost, (based on historical costs),

Term Maintenance Work Package - £2,340.72

PPM - £7896.36

Repairs & Maintenance - £10,902.10

Utility's - £107,770.64.

South Ribble Borough Council Penwortham leisure centre

Facility's lifecycle costing.

Due to the condition survey completed 7/07/2016, we believe this will be sufficient moving forwards. Over **the last 3 years, there has been a backlog of maintenance totalling £786,976.00**

**Within the next 3 years (2019-2022),** there will be a need for replacement items and refurbishment as followed, per the condition survey schedule totalling - **£502,079.00 through to 7/07/2022, this comes to a total of £1,289,055.00 within 3 years that will need to be spent to stand still.**

All life exp dates from 7<sup>th</sup> July 2016

Work past due and/or due within the 6-year period listed below –

- External doors – single & double, finish to doors, 5yr exp,

Action – Redecorate

Cost - £540.00

- Louvered doors to plant room, 5yr exp,

Action - Replace

Cost - £9,600.00

- Louvered doors, finish, 5yr exp,

Action – Redecorate

Cost - £480.00

- Semi-solid half hour single leaf flush door, finishes including frame, 1yr exp, E/O door closers, 5yr exp,

Action – Redecorate & Replace

Cost - £2530.00

- Semi-solid half hour single leaf flush door to squash court(s), finishes (including frame) – Ironmongery – E/O door closers, 3yr exp,

Action – Replace & Redecorate

Cost - £430.00

- Semi-solid half hour double leaf flush door – finish (including frame), 1yr exp,

Action – Redecorate

Cost - £350.00

- Internal walls and partitions, timber internal glazed screen – finish screening, 3yr exp,

Action – Redecorate

Cost - £ 600.00

- Internal finishing – decoration, eggshell emulsion paint to walls ceilings & skirting,  
Circulation, 1yr exp,  
Squash courts, 3yr exp,  
Ground floor rooms, 3yr exp,  
First floor rooms, 5yr exp,

Action – Redecorate

Cost - £32,424.00

- Ceramic tiling to changing rooms, shower(s) & disabled W.C – Grouting floor tiles, 5yr exp,

Action – re grout

Cost - £ 4,350.00

- Woodblock flooring, squash court & dance studio – finish, 5yr exp,

Action – Strip and re-seal floor

Cost - £3,420.00

- Mechanical services, Boilers, Pumps, BMS, Air conditioning and pressurisation unit, 1yr exp,

(Comment per survey – End of their operational lifespan – controls end of operation lifespan)

Action - Replace

Cost - £240,000.00

- Mechanical services, heating controls, heating pipework, heating emitters & Local extract systems, 2 – 5yr exp,

Action – Replace

Cost - £165,300.00

- Electrical services – Electrics, fuse boards, wiring, accessories, luminaries and fire alarm system, 1 - 3yr exp,  
Intruder alarm system and closed circuit television, 5yr exp,

(Comment per survey – Majority of fuse boards, wiring and accessories at end of life span, majority of lighting and emergency lighting system at the end of its lifespan. Aged fire alarm system & associated devices)

Action – Replace

Cost - £147,000.00

- External works, tarmac patch repairs, line-marking & symbols to road surface, 5yr exp,

Action – repaint line markings & Resurface

Cost - £4025.00

- Tarmac MUGA – paths hardstanding areas & Line marking, 5yr exp,

Action – Repaint line markings

Cost - £5,460.00

- Fencing to carpark, 1.5m high decorative finish, 5yr exp,

Action – redecorate

Cost - £2040.00

- External Astroturf sports pitch, 1yr exp,

Action - Deep clean annual maintenance

Cost - £3,000.00

Annual cost, (based on historical costs),

Term Maintenance Work Package - £1,573.00

PPM - £5,355.40

Repairs & Maintenance - £12,087.91

Utility's - £106,349.07

This page is intentionally left blank