

Subject: 2009 Leisure Review

Status: For Publication

Report to: Performance Overview and
Scrutiny Committee - Leisure

Date: 19th October 2009

Report of: Chief Executive

Portfolio

Holder: Leisure

Key Decision: No

Forward Plan

General Exception

Special Urgency

1. PURPOSE OF REPORT

1.1 To provide an update on the key tasks of the 2009 Leisure Review:

- The use of the PMP report and additional mapping and consultation to establish Rossendale's priorities for leisure and cultural provision. Including an assessment of our cultural offer to inform our Cultural Strategy
- Completion of an Options Appraisal for the management of our leisure facilities, including market testing for private sector investment in certain facilities; to establish an affordable management option for the delivery of leisure and cultural services
- Establish and implement a project plan for the delivery of a new Swimming Pool including the development of a business case and planning/need justification.
- Establish and implement a project plan for the community takeover or closure of Bacup Leisure Hall.

1.2 To review the 2009/10 transitional funding agreement with Rossendale Leisure Trust and including their business plan actions and current financial monitoring.

2. CORPORATE PRIORITIES

2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objectives.

- Delivering quality Services to our customers
- Delivering regeneration across the Borough
- Encouraging healthy and respectful communities

- Keeping our Borough clean, green and safe
- Promoting the Borough
- Providing value for money services

3. RISK ASSESSMENT IMPLICATIONS

3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Failing to deliver the actions within the review may result in an impact on the budget setting process and possible financial impact for 2010/11
- The delivery of both Bacup Leisure Hall and a swimming pool are dependent on securing adequate financial resources and permissions
- Full and robust community engagement and communication is required in order to mitigate the risk of non-engagement and ensure full access to the decision making process

4. BACKGROUND AND OPTIONS

4.1 Following a request in October 2008 by Rossendale Leisure Trust to increase their grant funding by 40% a number of financial options were identified for the future provision of leisure in the Borough.

4.2 In February 2009 the Cabinet approved the delivery of 'Option H':

- Agree £513k funding for Rossendale Leisure Trust conditional upon:
- Review of leisure and recreation comprising consultation on what people feel is a priority, what the council can afford and most appropriate mechanism for delivering leisure in the Borough
- Establish a transition fund to maintain in particular Haslingden and Marl Pitts Swimming pools above and beyond grant funding, pending the outcome of a review. This will ensure that both pools remain open for a minimum period of 12 months
- New funding agreement in relation to grant funding and transition fund to be developed and agreed by the Council and the Trust by 1st April 2009
- Take opportunity of vacancy freeze and continue to identify savings
- Rossendale Leisure Trust to agree to the early surrender of the lease for Bacup Leisure Hall which will close by 31 March 2010 unless a successful lottery grant award is achieved or take-over by community
- Establish regular Overview and Scrutiny process on leisure to oversee transition and amend the constitution to accommodate this
- Establish a steering group for the development of a new pool
- Establish a steering group to develop community approach to Bacup Leisure Hall

4.3 The 2009 Leisure Review will address the immediate action required to deliver Option H and identify a sustainable option for the future delivery of leisure and cultural delivery in the Borough.

4.4 Following the last report to Performance Overview and Scrutiny – Leisure officers have continued to work on each of the key actions under the review to ensure the delivery of Option H.

5 Consultation and options appraisal

5.1 **Appendix 1** is the highlight report on the Culture Survey. This survey covered priorities for facilities, countryside recreation, the arts and taking part in different activities. The final report on the Culture Survey is attached as **Appendix 2**.

5.2 Key Findings:

- There was a mixed opinion on Rossendale as a place to undertake leisure and cultural activity. 27% believe it to be good, and 29% poor. There was no perceived change in the quality of our leisure and cultural services over the last 3 years.
- Rossendale Museum was the most favoured facility but Marl Pits swimming pool is seen to be the most important.
- Bacup Leisure Hall was rated both the least favoured and least important of the facilities looked at.
- 26% use our parks on a regular (weekly) basis; key areas for improvements were outdoor events and festivals to help improve the cultural offering.
- 47% had been swimming in the last 12 months, making swimming the most popular activity for people to take part in.
- The main reason given for not getting involved in Leisure & Culture was that they did not know what was going on in their area.
- Around 76% of people supported the Council in spending money on sport and leisure.

5.3 Knight, Kavannah and Page (KKP) have continued to work on the Leisure Review. On 9th September 2009, the consultants delivered a session for all members to provide an overview of each of the management models for leisure and what they mean for Councils as well as examples of good practice from across the region. This was a generic update session which provided important context before we receive the final report from KKP.

5.4 KKP has produced a first draft of Section 1 of the Leisure Review report which considers the vision for facilities across Rossendale. The second section of the report will focus on the management options for our leisure delivery. The consultants have scheduled meetings to discuss the first draft of the report, in addition a number of meetings are scheduled which they were unable to carry out in the August holiday period.

5.5 The Final Report deadline was originally 1st October 2009. As a result of difficulties arranging these final meetings we now expect to receive the report on 14th October 2009. This delay will not affect the delivery of a final report to Cabinet on 17th December 2009

5.6 We have also requested that KKP complete an additional requirement, to look at the business case for each of the options being put forward for the future delivery of leisure. This will provide clear information to members regarding the cost implications of each of the options being considered.

6. Progress of the Review Panels

- 6.1 The Pool Review Panel has begun work on a community impact assessment for a new pool at the Haslingden Sports Centre Site. This will inform the final report in December 2009. A highlight report on the Pool Review Panel is attached as **Appendix 3**.
- 6.2 The Bacup Leisure Hall Review Panel has delivered a concerted marketing and publicity campaign using organisations such as CVS and REAL to advertise and promote an event at which groups and volunteers from the community could come forward and work together to bring forward plans for a community takeover option.
- 6.3 Marketing of the event included the distribution and placement of 300 posters; press releases; 3 large scale banners; dedicated website page; and two sessions on Bacup Market meeting with residents and interested organisations.
- 6.4 Following discussion with the Council's procurement team it was also proposed that the use of the hall and land should be advertised to the wider market and due to European procurement rules a Prior Information Notice (PIN) was placed advertising the potential of the hall and land across Europe. A highlight report on Bacup Leisure Hall is attached as **Appendix 4**.
- 6.5 The Lancashire Procurement Hub has been consulted for advice on the most appropriate way to gauge market interest in Ski Rossendale. Due to the value of the project a Prior Information Notice (PIN) was placed on 24th September with a closing date of the 15th November. A highlight report on Ski Rossendale is attached as Appendix 5.

7. Highlight Report - Rossendale Leisure Trust

- 7.1 A highlight report from Rossendale Leisure Trust is attached at **Appendix 6** which updates Performance, Overview and Scrutiny on the action plan and the transitional funding agreement. The full action plan is **Appendix 7**.
- 7.2 The highlight reports indicate continued progress against the short term action plan. A number of red risks are identified:
- Uncertainty around Bacup Leisure Hall is affecting the programming for the facility from March 2010.
 - As Bacup Leisure Hall moves through into the winter period the heating system, flat roof area and car park winter maintenance become areas for concern.
 - Uncertainty of the future of both pools due to the Leisure Review.
 - Continued effect of the economic downturn and user perception of the Ski Rossendale.
- 7.4 Through the Pool Review Panel, officers and Trust staff are working to keep user groups informed about the progress of the review. Officers have also visited swimming forum meetings and customer meetings to update on the progress of the review.

COMMENTS FROM STATUTORY OFFICERS:

8. SECTION 151 OFFICER

- 8.1 Financial matters and forecast by the Trust for 2009/10 have previously been reported to Members in detail as part of the Full Council meeting on 26th February 2009 and as part of subsequent Leisure Review reports.
- 8.2 Financial resources, assuming Rossendale Leisure Trust achieves its own targets, together with the cost of the 2009 Leisure Review, have therefore been identified within the Council's 2009/10 budget.
- 8.3 Future recommendations, aspirations and their financial implications for beyond March 2010 need to ensure that they are both affordable and sustainable.
- 8.4 As previously reported and as in previous years the Trust will require cash flow support for the rest of the financial year. At the time of writing the value of such support is £85k.
- 8.5 The Trust's financial year runs from January to December. **Appendix 8** details the Trusts trading position for the 8 months to August 2009. The current trading position is compared to the Trust's original budget, its revised full year forecast and the same 8 month period for 2008.
- 8.6 The key points of note from trading to the end of June 2009 are:
- Total year to date revenue is up on its revised forecast by £7k.
 - The actual net cost of Leisure, year to date, is £1k lower than the revised forecast.
 - However, the Trust continues to forecast an overall net cost of £697k which is in line with original grant funding expectations.
 - The challenge for the trust remains achieving revenue forecasts for the rest of the year particularly at Ski Rossendale as its opening hours increase over the Autumn/Winter season with trading to be at least break even for the remainder of the year. It should also be noted that Ski Rossendale is forecasting a 12 month trading loss and therefore will not contribute to central overheads.
 - Haslingden Sports Centre continues to be in line with its business plan and is forecast to be marginally above break-even before central overheads.
 - Head office and central shared costs are forecast to be £57k better than the original budget. This should improve due to the recent resignation of the Chief Executive.

9. MONITORING OFFICER

- 9.1 Legal comments are included in the report.

10. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)

10.1 There are no HR implications arising from the report.

11. CONCLUSION

11.1 Since the last Performance, Overview and Scrutiny meeting a number of actions have been progressed to support the delivery of Option H and the 2009 Leisure Review.

10. RECOMMENDATION(S)

10.1 To note the content of the report and the work undertaken to date in delivering Option H

11. CONSULTATION CARRIED OUT

11.1 Consultation carried out this reporting period includes the Culture Survey, Bacup Leisure Hall events and market stall, work with the Pool Group around completing the Community Impact Assessment, visits to the Faith Partnership, swimming forum and Haslingden Pool customer group meetings.

12. COMMUNITY IMPACT ASSESSMENT

Is a Community Impact Assessment required Yes

14.3 Equality implications of any decision will be considered as part of the ongoing review and the Community Impact Assessment updated according prior to any decision.

Is a Community Impact Assessment attached No

13. BIODIVERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

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| Background Papers | |
| Document | Place of Inspection |

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| Performance Overview and Scrutiny (Leisure) papers 23/6/09 | Website |
| Consultation – Culture Survey Highlight Report | Appendix 1 |
| Culture Survey Final Report | Appendix 2 |
| Pool Review Panel – Highlight Report | Appendix 3 |
| Bacup Leisure Hall – Highlight Report | Appendix 4 |
| Ski Rossendale – Highlight Report | Appendix 5 |
| Rossendale Leisure Trust – Highlight Reports | Appendix 6 |
| Rossendale Leisure Trust – Action Plan | Appendix 7 |
| Rossendale Leisure Trust Financial Information | Appendix 8 |