

Subject: Leisure

Status: For Publication

Report to: Cabinet

Date: 3rd June 2010

Report of: Director of Customers and Communities

Portfolio

Holder: Leisure

Key Decision: Yes

Forward Plan

General Exception

Special Urgency

1. PURPOSE OF REPORT

- 1.1 To update members on progress of projects implemented as a result of the 2009 Leisure Review; in particular regarding the options for Bacup Leisure Hall.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report impact directly on the following corporate priorities:-

- 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 recommendations in this report involve risk considerations as set out below:

- The investment identified in the February Full Council report was based on assumptions regarding the Council's ongoing commitment to Leisure. Changes from the assumptions outlined in that report could have an impact on the Council's overall budget for Leisure.

4. BACKGROUND AND OPTIONS

4.1 Following a thorough review of Leisure Provision in Rossendale in 2009, February Council approved the delivery of a significant Leisure Development for the Borough including:

- Bacup Leisure Hall review panel should continue to explore options for the Bacup Leisure Hall site.
- Negotiate surrender of the lease for Ski Rossendale with Rossendale Leisure Trust and continue the procurement process to secure a new private sector partner to invest in and operate the facility.
- Continue design brief and commence procurement for new pool at Haslingden Sports Centre and development of fitness suite, five-a-side etc at Marl Pits.
- Closure of Haslingden Pool on completion of new pool.
- Confirm funding agreement with RLT.
- Confirm funding agreement with CLAW and undertake external review in relation to the Riverside at Whitworth Civic Hall.

4.2 Since 25th February 2010 the structure for the delivery of the key projects arising from the Leisure Review has been put in place.

4.3 Meetings have taken place between Council Officers and Community Leisure Association Whitworth and Rossendale Leisure Trust regarding the outcomes of the Leisure Review and the Funding Agreements for 2010/11. In addition work is progressing with CLAW in relation to undertaking an options review of the Civic Hall as identified in the previous leisure consultants report.

4.4 Progress in relation to the Leisure Development projects, including reports from Rossendale Leisure Trust and Community Leisure Association Whitworth will be reported to Performance, Overview and Scrutiny on a quarterly basis. The meetings and reporting deadlines for the year have been established. Listed below is a brief update on the key elements of the project:

5. Capital Build Project – Haslingden Swimming Pool and Marl Pits Development

5.1 A tender has been actioned for the combined role of Project Manager and Quantity Surveyor and a successful appointment has been made. This role will include the preparation of the planning permission application.

5.2 The Pool Review Panel was initiated to contribute to the 2009 Leisure Review and the planning for a new pool in Haslingden. This group will continue to meet throughout the implementation of the capital project and meetings have been booked for the coming year.

6. Ski Rossendale

- 6.1 The project is progressing and expressions of interest from a variety of companies have been received. The Council has now formally asked these organisations to submit a detailed and costed proposal for the management and running of the facility as a going concern and they have been asked to return their submissions by the 7th June 2010. Organisations, shortlisted from this process will then be invited for formal interview late June/early July 2010.
- 6.2 Once the successful organisation has been appointed more detailed work and negotiations will then take place to ensure the successful transfer of the facility to the new operator.

7. Bacup Leisure Hall

- 7.1 Attached as **Appendix A** is a summary of the work completed to date with options identified for the future use of the Hall. **Appendix B** confirms the site boundary under consideration.
- 7.2 Revenue funding in relation to the Hall is secure until the end of June 2010. Depending on the option identified, additional funding may need to be confirmed.
- 7.3 The Community impact assessment undertaken last year as part of the leisure review has been updated.
- 7.4 Members are requested to consider **Appendix A** and identify the preferred option.

COMMENTS FROM STATUTORY OFFICERS:

8. SECTION 151 OFFICER

- 8.1 In order to support the Capital expenditure projects at Haslingden Sports Centre and Marl Pits, Public Works Lending Board (PWLB) funding of £4.6M has been secured based on equal instalment payments over 25years at a fixed rate of 4.49% per annum.
- 8.2 Based on the Leisure Review business case, core grant funding and transitional funds to clear the anticipated negative revenue impact of building construction and the opening financial deficit within the Trust have been quantified for the next 3 years and this has been approved by the Rossendale Leisure Trust Board. In addition Officers have asked the Trust Board to considering changing their financial year end back to 31st March in order to bring funding and business planning back in line with the Council. The Trust have agreed to this in principle, subject to ratification by the Financial Standards Authority.
- 8.3 Financial matters in relation to the Bacup Leisure Hall options are noted in **Appendix A**, the significant matters being:

- Option A: The need for additional Council revenue funds in excess of £100k
- Option A1: Potential capital receipt between £50k to £80k and £30k per annum for 10 years payable to Bacup Community Association (or equivalent body). The £30k will inevitably be subject to income generation.
- Option B: Potential capital receipt to Council of c. £150k
- Option C: Subject to a recovery in the housing market a potential net capital receipt in excess of £1m
- Option D: A potential capital receipt in excess of £500k
- Option E: A potential capital receipt

8.4 Rossendale Leisure Trust has budgeted to continue to operate Bacup Leisure Hall until the end of June 2010. If staff redundancies apply and on the assumption that alternative employment cannot be secured within other Trust operations, redundancy and pension strain costs are likely to be incurred at a total cost of £29k. This cost will be funded from the Council's Change Management Reserve.

8.5 The Council's Medium Term Financial Plan has identified a number of potential pressures requiring the Council to identify c. £2M of savings over the next three years. The source of any additional allocation of financial resources to leisure facilities, other than those agreed within the business plan, must be firstly identified in order to avoid additional financial pressure on Council's resources over the immediate and medium term.

9. MONITORING OFFICER

9.1 The Leisure Trust as part of the leisure review have confirmed they are prepared to surrender the lease of Bacup Leisure Hall thus enabling the preferred option to proceed. Legal support will be required depending on which option is chosen.

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

10.1 Depending on which option is confirmed, further consultation will be needed. There may be TUPE or redundancy implications and the relevant workforce agreements will apply.

11. CONCLUSION

11.1 The work surrounding delivery of the leisure review is progressing well and will result in an enhanced leisure offer for the Borough of Rossendale.

12. RECOMMENDATION(S)

12.1 To note the contents of the report and support the progress to date in delivering the outcomes of the 2009 Leisure Review.

12.2 To confirm the preferred option in relation to Bacup Leisure Hall and to agree that the Director of Customers and Communities and Portfolio Holder for

Leisure are given delegated authority to implement the preferred option in relation to the Hall.

13. CONSULTATION CARRIED OUT

13.1 Bacup Panel Group, Portfolio Holder, Overview and Scrutiny.

14. COMMUNITY IMPACT ASSESSMENT

Is a Community Impact Assessment required Yes

Is a Community Impact Assessment attached Yes

15. 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
Cabinet report Feb 2010 Leisure	www.rossendale.gov.uk