

Members of the Council: If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.

Meeting Quorums :- 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.

FIELD_TITLE

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

KIDSGROVE LEISURE CENTRE CABINET PANEL

Tuesday, 16th February, 2016

Present:- Councillor Mrs Amelia Rout – in the Chair

Councillors Cooper, Pickup, Stringer, Stubbs and Waring

Apologies Apologies

1. **DECLARATIONS OF INTEREST**

Councillors' Pickup, Stringer, Stubbs and Waring all represent Kidsgrove Wards and Councillor Pickup is a Governor at Kings School.

2. **UPDATE SINCE CABINET REPORT**

With regard to the replacement facility:

Consideration of a constant depth pool of modular construction had been undertaken by officers with partners and moveable floor for the main 25m six lane pool is now recommended as the preferred solution to provide optimum flexibility in the operation of the pool and its programme.

Officers are working with the Kings School, the Litchfield Dioceses Education Board, the County Council, the Penda Partnership and their architect to progress the feasibility study. Further details were reported under item 4 below.

Cabinet had resolved to establish a Cabinet Panel to provide the leadership and governance to bring the project to fruition and this was the first meeting of the Cabinet Panel.

With regard to extending the current agreement:

The existing Joint Use Agreement makes provision for the parties to extend the current agreement. Members were keen to see this concluded and the temporary contracts of staff at Kidsgrove Sports Centre extended in line with the Joint Use Agreement.

With regard to a Community Use Agreement for School Facilities:

A draft agreement has been sent to the school for discussion. The principle is that the school sports hall and astro-pitch are operated by the sports centre to comply with the planning condition for community use and on a self-financing basis.

The draft agreement is to be circulated to the Cabinet Panel for comment, prior to approval.

Discussion also took place in relation to the size of the new school sports hall. Members felt that a 3court sports hall was far from ideal for community use and that the school and/or the Diocese should fund the extension to a 4court hall in order to compliment the proposed investment in the leisure centre. A representative from the Diocese Education Board will be invited to the next Cabinet Panel to explore this

further. A paper, explaining the efforts that the school had gone to so far was submitted by Councillor Geoff Locke, Chair of the Governors at Kings School and this demonstrated that even if successful in obtaining a grant from Sport England there was still a shortfall in funding.

Resolved: That the information be received.

3. **FEASIBILITY STUDY (TO BE PRESENTED AT THE MEETING)**

An overview of the Feasibility Reports dated 18 January 2016 and 22 January 2016 was given by the Head of Leisure and Cultural Services:

The first report considered location on the campus and demonstrated that the only place to redevelop was on the site of the existing sports centre. It considered two options: A two storey design located over the existing foyer sports hall, studio and dry-side changing, which would allow the existing pools to remain open during the construction of the new leisure centre; and a single storey design that was considered to be a more suitable replacement facility and could be extended (with a sports hall at a later date – If required), but the footprint of this design went over the existing swimming pool. It was reported therefore that the architect has been instructed to move this design further forward on the site to meet the requirement of keeping the existing swimming pools open throughout the construction.

The second feasibility report, dated 22 January 2016 addressed these issues by moving the building forward on the site, so that the existing swimming pools can be kept in operation during construction of the new swimming pool and then demolished post completion. However, this approach introduces a further phase in that the studios would need to be built after the demolition of the existing swimming pools.

Costings based on the design will be produced in due course but it was noted that currently there is no funding committed to the project by either the County Council or Borough Council, to deliver the aspiration of the New Leisure Centre that has been agreed in the District Deal Letter.

Resolved: That the information be received.

4. **INDICATIVE TIMESCALES**

It is anticipated that the school will take occupation of the new block in January 2017, so work on the new leisure centre cannot start until early 2017.

Demolition of the existing dry side will need to take place (12 weeks) before construction of the new pool and gym (50 weeks) and demolition of the existing pool (12 weeks) and construction of the studios (8 weeks).

Resolved: That the information be received.

5. **NEXT STEPS**

Agreement to extend current Joint Use Agreement to be concluded by the end of February 2016.

Draft Agreement for the management of community use of the new school facilities (astro-pitch and sports hall) to be circulated to Cabinet Panel.

Feedback on designs is to be relayed to the Architect at next partnership meeting on 2 March 2016).

Costing for the single storey leisure centre, keeping the existing pools open is to be obtained from Kier, both in terms of capital expenditure and lease back.

Resolved: That the information be received

6. **DATE OF NEXT MEETING**

To be confirmed.

COUNCILLOR MRS AMELIA ROUTH
Chair

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Briefing Note to EMT

Kidsgrove Leisure Centre

Background

The joint use agreement for the existing Kidsgrove Sports Centre has been extended until 31 March 2017.

The new school is due to be completed by December 2016 for January 2017 occupation. This is therefore the earliest 'start on site date' for the construction of Kidsgrove Leisure Centre.

The Kings School are still awaiting the outcome of their bid to Sport England Inspired Facilities Fund in relation to extending the new school sports hall from a 3 court hall to a four court hall. If successful they are £40k short on the £500k funding required and the County Council have pledged £20k if this is matched by the Borough Council.

In relation to Kidsgrove Leisure Centre a design steering group has met on several occasions and concluded a design for the new leisure centre.

The facility mix includes:

- A 25m 6 lane pool, shallow end 1.0m/1.2m deep end 1.8m/2.0m with platform lift for disabled access, spectator seating and pool store.
- Pool side sauna and steam cabins.
- Village changing, group changing, disabled changing and a changing places room, pre-cleanse and post swim showers
- Separate dry side changing and toilets
- 50 station fitness centre
- Flexible studio space
- Entrance foyer, with public toilets, vending service, reception desk, with back office
- Plant room, chemical stores, boiler room and air handling plant (on roof)
- External works and car park

The agreed layout is for a single storey development (for economy on foundations and lifts) but two layouts have been taken forward and cost plans developed; one with a slightly smaller foot print and less studio space (Layout A) and one with greater studio space and flexibility (Layout B) as this may prove beneficial in terms of income generation for a relatively small additional capital outlay.

Issues

The Cabinet panel expressed a desire for the existing facility to remain open while the new leisure centre is built. However the footprint of the new centre means that it is not possible to keep the sports centre open in its entirety. The project can be delivered in phases to keep the existing swimming pool open until the new one is ready but this is technically, operationally and financially challenging. It would involve the following sequencing:

1. Demolish existing dry side
2. Build new pool, changing and fitness centre

3. Demolish existing pool
4. Build new studios and complete external works

The simplest and cheapest construction would be to demolish the existing sports centre and build the new leisure centre as a single phase. The single phase development requires a construction period of 65 weeks, compared with 93 weeks for the multi-phase option. However, cost plans have been developed for Option A and Option B as both single phase and multi-phase construction projects.

Finance

Capital Expenditure

The capital expenditure costs for each option is summarised in the table below (these appraisals assume there is no land price/receipt):

	Option A	Option B
Single Phase	£7,987,451	£8,148,321
Multi-Phase	£8,624,730	£8,787,103

Lease Expenditure

In return for Kier Property funding the scheme, the Council will be required to take a lease of 35years on the new leisure centre, paying the rent that is contained in each appraisal which will rise in line with RPI annually, with a collar/cap of 2-4%. At the end of the 35 year lease term the asset will revert to the ownership of the Council for a payment of £1. Therefore the Council will own the freehold of the building at the end of the lease term. The annual rent for each of the options is as follows:

Single Phase Layout A - £454,000 per annum

Single Phase Layout B - £463,500 per annum

Multi-Phase Layout A - £492,000 per annum

Multi-Phase Layout B - £502,000 per annum

These figures are comparable to the Council borrowing over 35years except our borrowing arrangements would not be subject to annual RPI increase.

Financial Borrowing

For the purposes of financial borrowing the following assumptions have been made:

1. The lifespan of the building is 50 years (based on information provided by Kier at Appendix 1)
2. A financial contribution of £1m will be made by the County Council and a grant of £0.5m will be obtained from Sport England.

Further details are available at appendix 2 but the amounts and borrowing costs for the four options are summarised below:

	Option A		Option B	
	Amount Borrowed	Total per Annum	Amount Borrowed	Total per Annum
Single Phase	6,500,000	332,800	6,700,00	343,040
Multi-Phase	7,200,000	368,640	7,300,00	373,760

Revenue Implications

In order to properly consider the revenue costs for operating the planned new leisure centre I have looked at the previous model (based on refurbishing the existing centre), and asked the consultant who undertook that work to use that as a baseline for updating with latest scheme data / pricing / programming etc, to produce a report for the Council including sensitivity analysis.

On this basis, he has quoted for 2.5 days' work, to include an initial meeting to go through the base position and agree model parameters and then a feedback session on the draft report.

Cost would £1,375 +VAT.

In addition, in relation to fitness incomes, it would also be worth getting a Leisure Database Company latent demand assessment, which gives a profile of the area, competition analysis and projection of future membership numbers for health & fitness – it costs £950 for this, but it would help give some evidence to the fitness income projections.

**KIDSGROVE
LEISURE CENTRE**

Feasibility Report for Phased Build Option

10.03.2016

KIDSGROVE LEISURE CENTRE

SCALE 1:500 @ A3

P4483 / MARCH 2016

PHASE 1 - DEMOLITION OF EXISTING DRY LEISURE CENTRE



KIDSGROVE LEISURE CENTRE

SCALE 1:500 @ A3

P4483 / MARCH 2016

PHASE 2 - CONSTRUCTION OF NEW BUILD LEISURE CENTRE



NOTES

- 1** Existing Wet Side (Dashed) to be kept in operation during construction, which will then be demolished post completion.
- 2** Studios and Sensory room to be built after demolition of wet side.
- 3** Min 3 metre setback to allow for construction route.
- 4** Air handling plant to be placed on the roof.
- 5** Possible Site Compound or future parking space.
- 6** Half of the steps and hard landscape removed for the pool plant.

EXISTING LEISURE CENTRE

NEW LEISURE CENTRE

WET

2

3

4

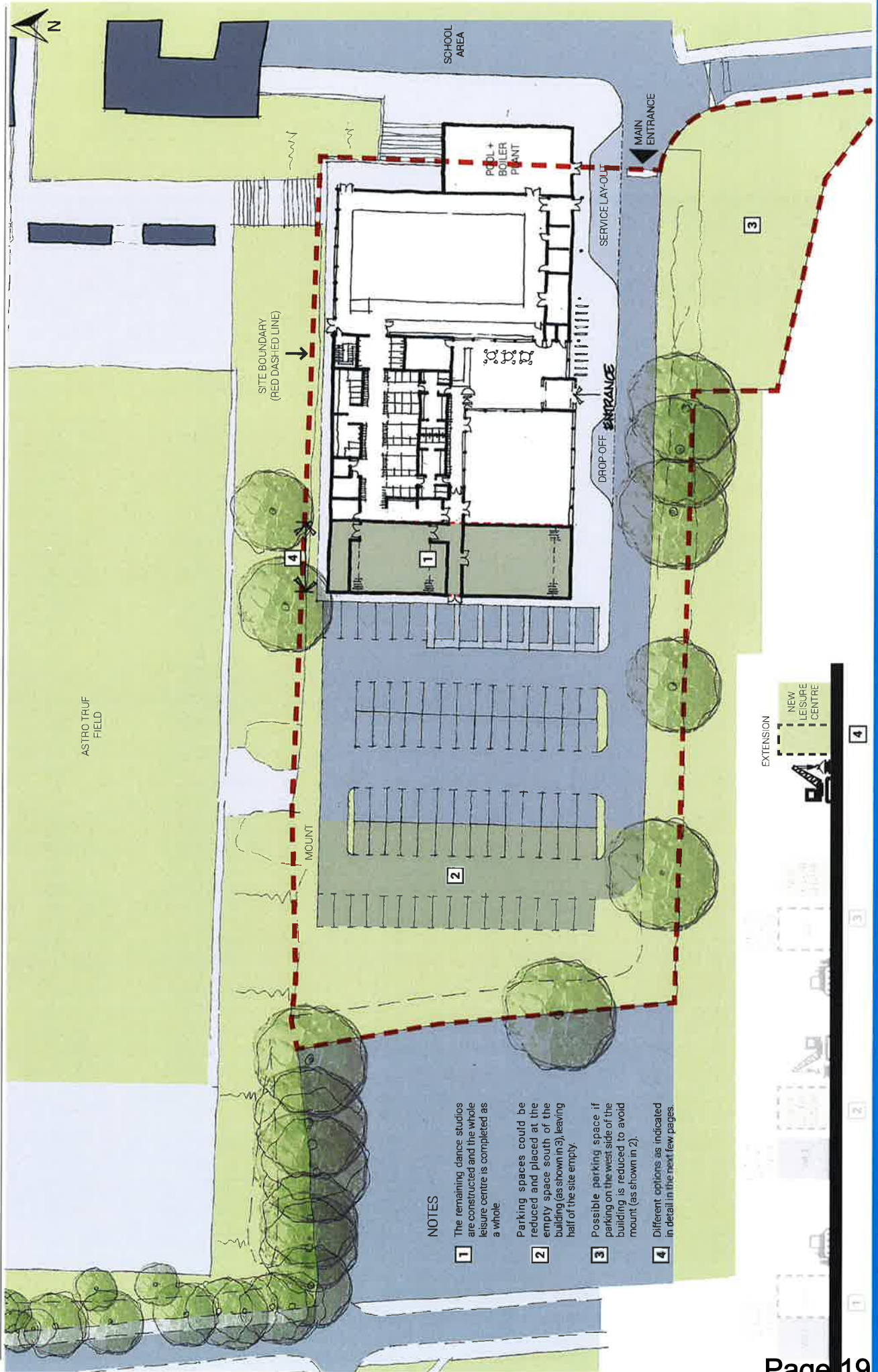


KIDSGROVE LEISURE CENTRE

SCALE 1:500 @ A3

P4483 / MARCH 2016

PHASE 4A - CONSTRUCTION OF DANCE STUDIOS



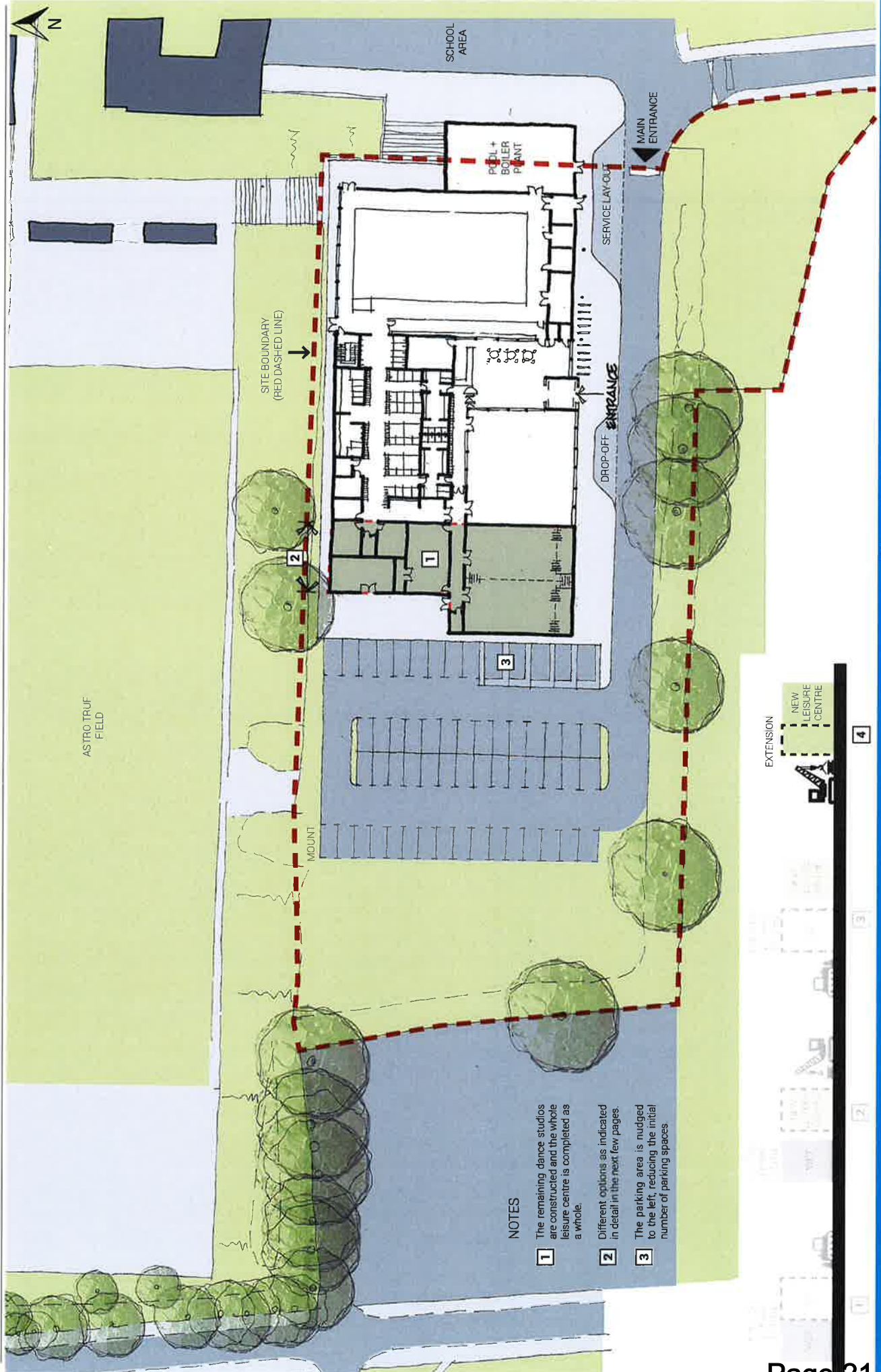
NOTES

- 1** The remaining dance studios are constructed and the whole leisure centre is completed as a whole
- 2** Parking spaces could be reduced and placed at the empty space south of the building (as shown in 3), leaving half of the site empty.
- 3** Possible parking space if parking on the west side of the building is reduced to avoid mount (as shown in 2).
- 4** Different options as indicated in detail in the next few pages.

KIDSGROVE LEISURE CENTRE

P4483 / MARCH 2016 SCALE 1:500 @ A3

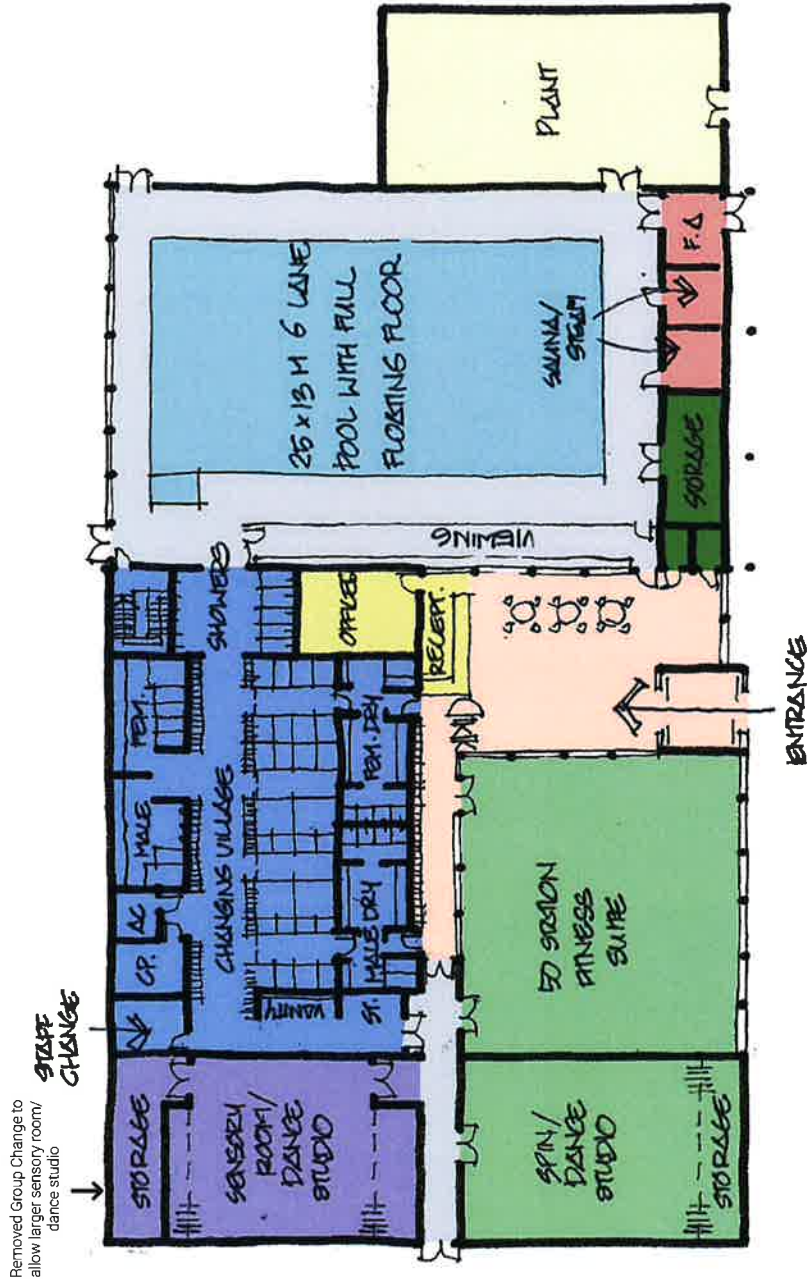
PHASE 4B - CONSTRUCTION OF DANCE STUDIOS



NOTES

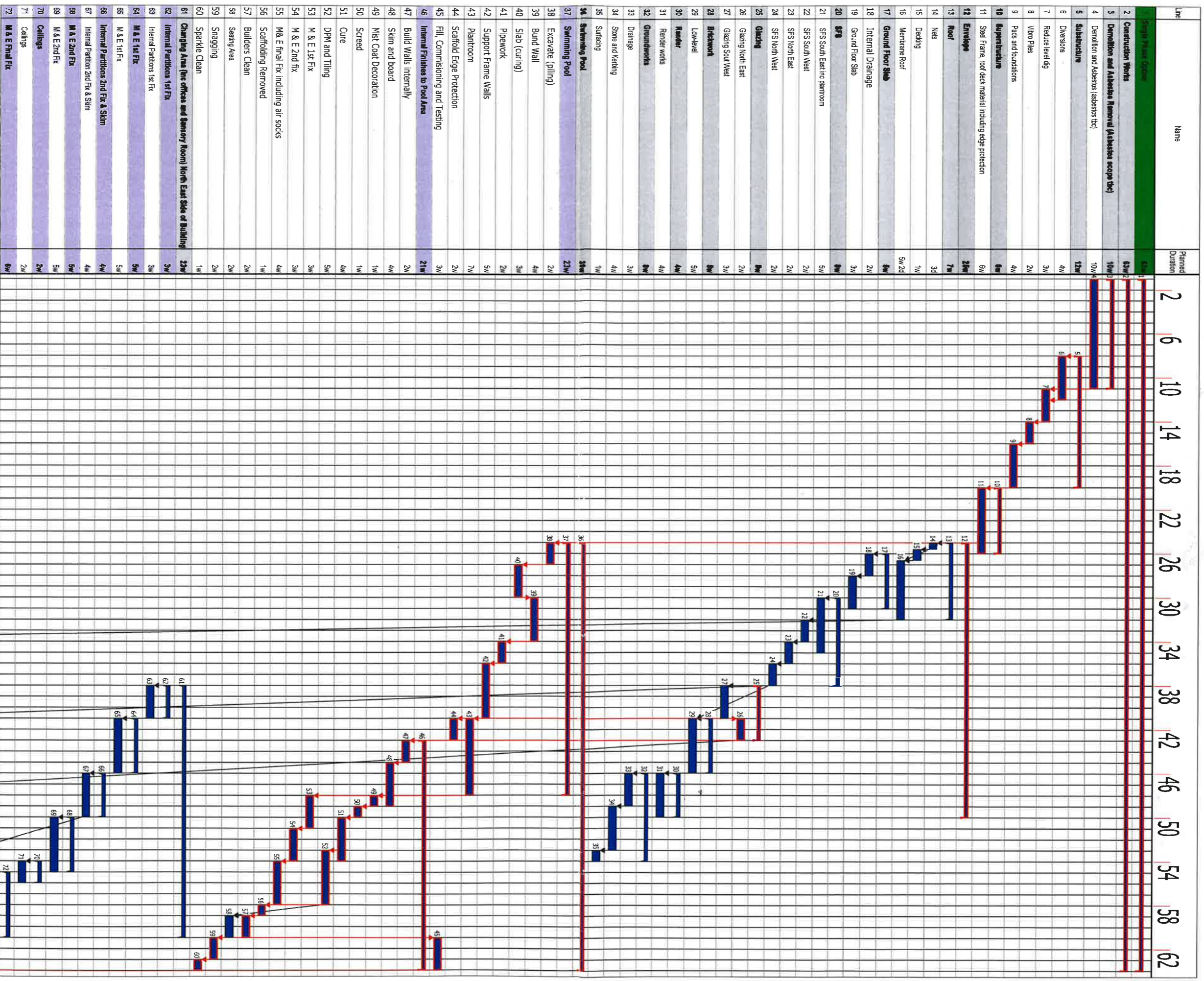
- 1** The remaining dance studios are constructed and the whole leisure centre is completed as a whole.
- 2** Different options as indicated in detail in the next few pages.
- 3** The parking area is nudged to the left, reducing the initial number of parking spaces.





NUMBER OF PARKING SPACES

Accessible/ Parent&Child	7
Visitor	78
Total	85



Programme No. :- P4483/SP/OPTION

Issue Date :- 17/03/2016

Contract No. :-

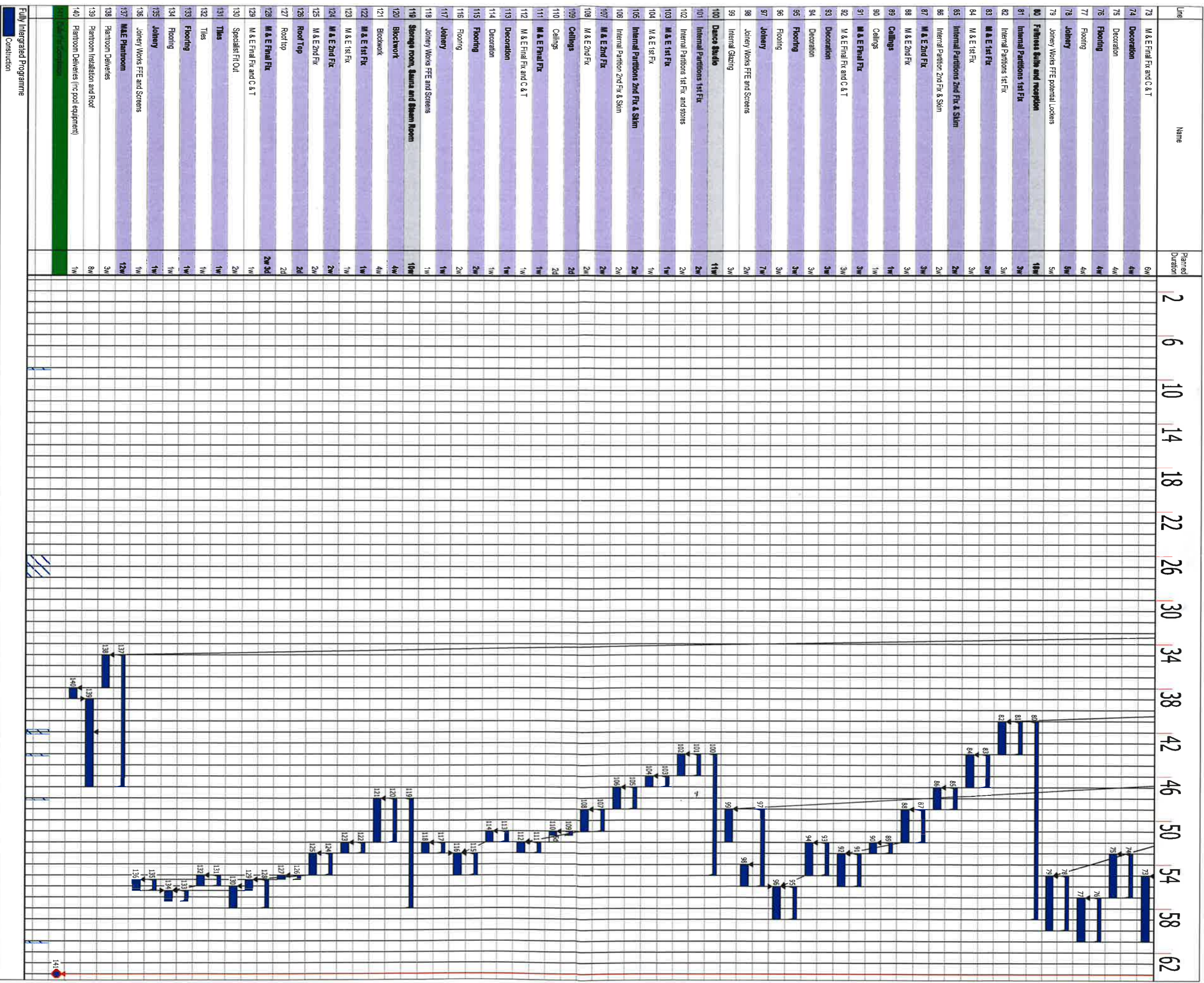
Revision :-

Notes:

Drawn By :- Jaimie Lowther

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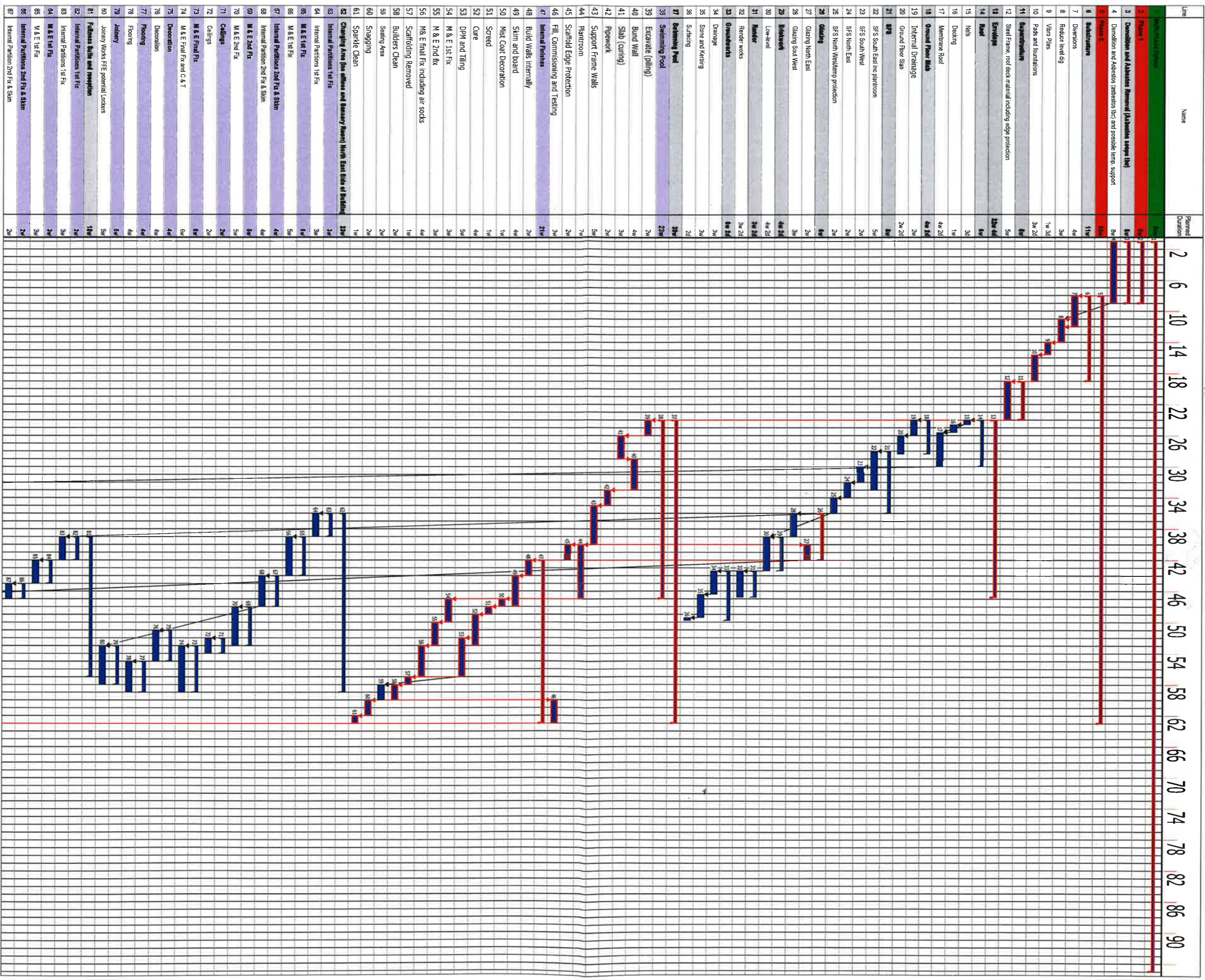
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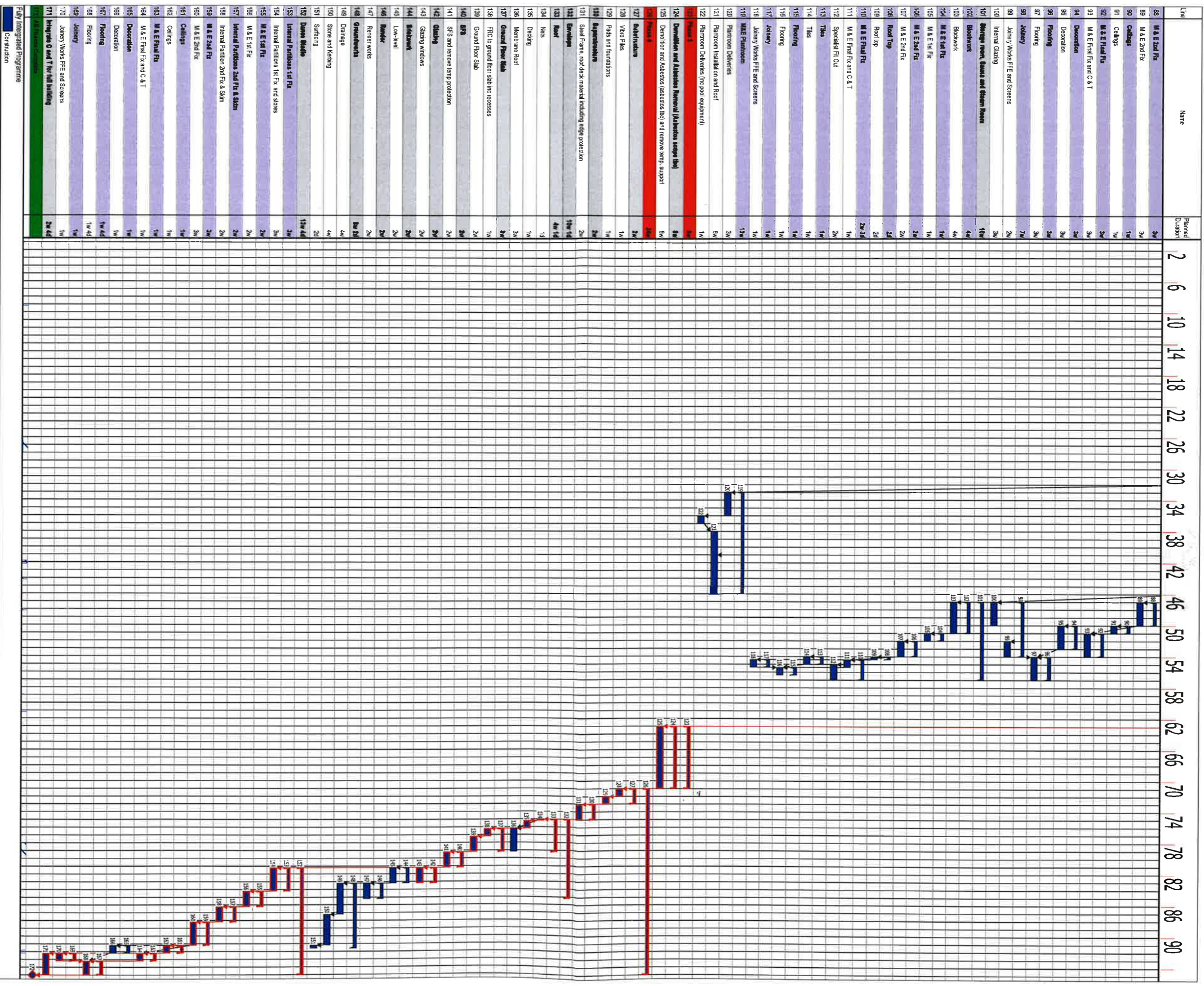
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Classification: NULBC UNCLASSIFIED

KIDSGROVE LEISURE

Design Life

Building Element	Design Life
Substructure	60 years
Frame and roof structure	60 years
Underground drainage	60 years
External walls	Brickwork 50 years, Sto render 30 years (circa 15 years to first recoating)
Windows and external doors	25 years (however double glazed units and ancillaries are a reduced life in line with manufacturer's guidance)
Roof coverings	20 years (Icopal single ply)
Mechanical and electrical services (major components)	Circa 25 years (in accordance with CIBSE Guide M Table Appendix 13.A1)
Sanitary fittings and changing room laminates	20 years
Internal partitions	25 years
Internal doors	20 years
Floor finishes	Ceramic tiling 50 years, vinyl and carpet 10 years, dance studio (subject to selection)
Altro Whiterock internal wall cladding	20 years
Swimming pool (structure, lining and plant)	Subject to system selection (that can be made at the next stage)
Sauna and steam	Subject to system selection (that can be made at the next stage)
Internal FF&E	15 years
External works	25 years

Classification: NULBC UNCLASSIFIED

Kidsgrove Sports Centre Replacement - Financing Costs (Borrowing)

	Amount Borrowed £	Term Years	Interest Rate %	Principal (MRP) £	Interest £	Total per Annum £
Layout A						
Single Phase Option	6,500,000	50	3.12	130,000	202,800	332,800
Multi Phase Option	7,200,000	50	3.12	144,000	224,640	368,640
Layout B						
Single Phase Option	6,700,000	50	3.12	134,000	209,040	343,040
Multi Phase Option	7,300,000	50	3.12	146,000	227,760	373,760

Notes

Based on Maturity Loans from PWLB (Public Works Loans Board)

Rates as at 15/04/16 per Debt Management Office website reduced by 0.20 basis points to reflect access to certainty rate.

Rates stop at 49.5 years but for illustrative purposes assumed 50 years at the 49.5 year rate.

MRP (Minimum Revenue Provision) on straight line basis based on life of the asset.

Total per Annum is the amount which will be charged to the revenue account each year over the 50 year term.

If the loan is repaid prematurely, the charges will cease or reduce if partly repaid. A premium or discount may be payable or receivable to/from the PWLB depending on whether rates at that time are more or less than for the original loan. If rates are more they will pay us a discount, if less we will pay them a premium. It is likely rates will increase over time from the historically low rates currently being experienced.

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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