

PROPOSALS FOR THE REDEVELOPMENT AND DISPOSAL OF KNUTTON RECREATION CENTRE

Submitted by: The Executive Director, Regeneration and Development

Portfolio: Regeneration and Planning

Ward(s) affected: All (property located in Knutton and Silverdale)

Purpose of the Report

To seek Members' formal approval for the disposal of Knutton Recreation Centre.

Recommendations

- (a) That officers be authorised to take the necessary steps, in consultation with the relevant Portfolio Holder, to dispose of the Knutton Recreation Centre site for redevelopment as soon as practically possible after the new Jubilee 2 centre is completed.
- (b) That the redevelopment of this site should be primarily housing-led with provision also made for a replacement bowling green and pavilion and the potential for a small convenience store.
- (c) That, in principle, the existing '3G' football pitch should be retained and options for its future local/community-led management arrangements be explored (including the bowling green too), the outcome of which be reported to members.
- (d) That consideration be given to the inclusion of adjoining land in the Council's ownership in order to optimise the prospects of securing a comprehensive redevelopment scheme.
- (e) That officers be authorised to engage suitably-qualified specialist advisors to prepare both marketing particulars for sale of the subject land and a planning brief (reflecting the Council's ambitions for comprehensive redevelopment of the site).

Reasons

To optimise the prospects of regenerating the centre of Knutton, to enable the potential retention of local recreation provision and to secure a capital receipt in line with the business case for the Jubilee 2 project.

1. Background

- 1.1 "Jubilee 2", the new Health and Wellbeing Centre currently under construction in Newcastle Town Centre, will be opened for public use at the start of the Olympic year in January 2012. This new facility will not only replace the ageing Jubilee Swimming Baths and the indoor sports facilities at Knutton Recreation Centre but will also provide the Borough's residents with additional sport and recreational facilities such as a climbing wall.
- 1.2 The new facility in the town centre will render the Jubilee Baths and the Knutton Recreation Centre redundant and it has always been the Council's stated intention that when Jubilee 2 is open, that these two facilities will then be closed and the respective sites disposed of for redevelopment.

- 1.3 The business case for Jubilee 2 is predicated upon the realisation of a capital receipt in line with the Council's Capital Strategy and current capital programme
- 1.4 This report considers proposals for the disposal and redevelopment of the Knutton Recreation Centre site.

2. Issues

- Asset Management Strategy and Capital Strategy
- Planning and urban renewal, including urban design considerations and housing need
- The Knutton retail offer
- Leisure provision in the Knutton area.

2.1 Asset Management and Capital Strategy

The Council's Asset Management Strategy clarifies our strategic approach to property ownership. It states that it will be guided by the clear understanding that property is being held for one (or more) of the following reasons:-

- (a) to meet the Council's statutory obligations;
- (b) to enable the provision of its operational/direct services to the local community;
- (c) to support and achieve the Council's objectives as set out in the Corporate Plan and supporting/related plans (particularly Service and Financial Plans);
- (d) to generate income.

In terms of the Council's approach to 'stock rationalisation' the Strategy notes that the ownership of the properties contained in both our operational and commercial portfolios present not only opportunities but responsibilities and liabilities. Hence it notes that there remains the ongoing need to challenge whether we need to own the property, particularly in view of the management and maintenance responsibilities. The Strategy goes on to explain the approach to disposal of surplus property.

The purpose of the Capital Strategy is to set out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives and it seeks to align with other key strategies and plans (including the Asset Management Strategy). Notably the Jubilee 2 project is listed as one of the key projects requiring capital funding and the current capital programme anticipates the realisation of a capital receipt in the order of £1m.

In accordance with the above strategies the Council has made the decision to close the Recreation Centre once the Jubilee 2 centre opens. The said decision was based upon a strategic assessment of leisure needs and there is no operational need to retain the facility. Consequently the decision to dispose of the property, in principle, is a straightforward one that accords with approved strategies/plans.

2.2 Planning and Urban Renewal

Knutton is part of Renew North Staffordshire's Area of Major Intervention (AMI) for Housing Market Renewal. As such, a programme of public realm works and refurbishments, including the Knutton Heritage Facelift scheme, have taken place in the area. These projects have been carried out in line with the Knutton and Cross Heath Masterplan that was supported by the community following extensive consultation in 2005/06. As part of this

masterplanning a number of public sector owned sites within the heart of Knutton Village were identified as potential development opportunities and the Masterplan put forward proposals for their redevelopment for mixed use purposes and residential. Clearly it would be prudent to scope in adjoining Council-owned land to any Planning Brief and marketing exercise in the interests of securing a comprehensive overall scheme.

In 2008, Renew commissioned consultants DTZ to produce an options appraisal for strengthening the centre of Knutton village through a combination of new development, including housing, retail and leisure provision, stronger urban design and investment in environmental improvements.

The DTZ strategy recommended a number of improvements and investments in Knutton Village, some of which have been implemented (such as the environmental improvements to strategic gateways). Whilst some aspects of the strategy were evidently undeliverable, because of the significant reduction of public funding (particularly with the demise of the Renew programme), the broad thrust of it has been used as a basis to inform the proposals for the Recreation Centre site and adjacent Council-owned land.

2.3. Retail Provision

The DTZ report recommended that the recreation centre site, together with adjoining council-owned land, is redeveloped for housing, a replacement bowling green and pavilion, a small public seating area beside the High Street and a small convenience store and car park to meet the needs of local shoppers.

The report notes that retail provision in Knutton High Street could be improved. The addition of a small convenience store would undoubtedly improve this level of provision. On the other hand it has the potential to cause an adverse effect upon existing local shops (unless additional trade is attracted to the High Street by the establishment of a greater critical mass of retail provision).

Clearly, as land owners of the Recreation Centre site, the Council is in a position to influence such provision as part of any disposal. Consequently it may be prudent to advertise the property in due course indicating a potential for such a store with a view to prospective purchasers/developers providing market intelligence; you could make a final decision on this element at that time.

2.4. Leisure Provision Serving the Knutton Community

Members will be aware that in considering the business case for proceeding with the Jubilee 2 scheme the closure of both the Knutton Recreation Centre and existing Jubilee Baths was agreed. In reviewing the potential local impact of the former members were cognisant of the then emergent provision of new facilities at both the Newcastle College scheme (Gordon Banks Sports Centre) and the Community Fire Station on Knutton Lane. Additionally the Council has directed S.106 funds to secure the significant improvement of The Wammy to incorporate new formal recreation provision in the form of both playing pitches and more general play facilities.

Nevertheless local members wished to see the retention (or relocation) of the existing bowling green on site and for the existing 3G football pitch to be retained. Subject to funding, there may be merit in the provision of a modest pavilion alongside the bowling green (providing showers and changing facilities) for club members.

In terms of background the Knutton Recreation Centre was established in 1990 when the former Knutton High School was converted to provide the following range of sports facilities:

- Sports Hall (limited height)
- Studio
- Castle Gym
- Outdoor bowls green
- Astro turf Pitch (opened October 2005 with a £174,000 grant from the Football Foundation)
- Outdoor tarmac surfaced tennis/netball courts (disused since 2005 due to poor condition and apparent lack of demand given the availability of the extensive tennis facilities at Westlands)

However the layout of the facility is awkward and does not conform to current design guides, for example access to the sports hall and gym are through the changing rooms and the sports hall does not allow for some sports to be played competitively (because of its overall dimensions).

There are also a number of offices and a meeting room which are currently used for storage, rather than any form of recreational activity. These were previously occupied by the Council's Neighbourhood Management Pathfinder Team and by the Neighbourhood Police Unit; these operational requirements no longer exist in respect of this building.

The centre attracted 64,741 users in 2010/11 which was down significantly on 2009/10 (82,000). This is across all areas and due to the following factors:

- The provision of new facilities, in particular the Gordon Banks Sports Centre, Newcastle High School, Keele University and now the new 3G pitch at Chesterton High School.
- Recognition that the facility will close when Jubilee 2 opens.

Officers began to talk to user groups in April 2011 as part of the exit strategy for the centre and some groups have already taken the initiative to find themselves alternative accommodation. The Parkinson's group, for example, have moved to a local church hall and some of the football teams have moved to the Gordon Banks Sports Centre.

Current Activity Levels

The Sports Hall has three regular bookings for badminton, one for five-a side. It is also booked for 'Zumba', kick boxing and for one session a week by a special school. In addition the centre offers trampoline, circuits and is hired every day on a pay and play basis for badminton and five-a-side.

The Studio is hired every day by keep fit instructors who offer various classes in addition to those provided by the centre.

The Castle Gym has 1,027 direct debit members that are spread across the Borough, with approximately a quarter coming from the Knutton and Cross Heath wards. The table below details all members at the Centre

Ward	Customer Count	%
Newchapel Ward	1	0.10%
Ravenscliffe Ward	1	0.10%
Kidsgrove Ward	3	0.29%
Keele Ward	5	0.49%
Town Ward	8	0.78%
Butt Lane Ward	8	0.78%
Loggerheads and Whitmore Ward	12	1.17%
Talke Ward	12	1.17%
Westlands Ward	13	1.27%
Clayton Ward	16	1.56%
Seabridge Ward	17	1.66%
Madeley Ward	26	2.53%
Porthill Ward	30	2.92%
Thistleberry Ward	34	3.31%
May Bank Ward	45	4.38%
Holditch Ward	62	6.04%
Wolstanton Ward	64	6.23%
Chesterton Ward	69	6.72%
Bradwell Ward	73	7.11%
Silverdale and Parkside Ward	86	8.39%
Audley and Bignall End Ward	89	8.67%
Halmerend Ward	101	9.83%
Cross Heath Ward	117	11.39%
Knutton and Silverdale Ward	135	13.15%
Total	1027	100%

In addition 3,982 'pay and play' visits were made to the gym in 2010/11 and a similar number is projected for 2011/12.

The Outdoor Bowls Green is well used by the local club who play in four different leagues during the summer. Pay and play use of the green is minimal (14 hires in 2010/11).

The Astroturf Pitch has the potential to be used for 78 hours per week. Regular bookings account for use 23 hours a week as follows:

Council CRS and Football Development	8 hours
Audley Football Club	8 hours
Three other football clubs	4 hours
Two local businesses	2 hours
Youth Club	1 hour

In addition it is booked every day for casual use (typically this will amount to 30 hours per week).

High Level Exit Strategy

Sports hall users will be directed towards the local schools and community centres, whilst some may choose to access the new Gordon Banks Centre at Newcastle College (during the public access times). The trampolines will be transferred to Kidsgrove Sports Centre along with the classes, but as an alternative Chesterton High School also offer trampoline classes. Furthermore a new 3-court sports hall will be available from January 2012 at

Chesterton (London Road). Other existing sports halls within reasonable proximity of Knutton exist at Keele University and Clayton Road.

The Studio usage will be accommodated within an enhanced studio programme at Jubilee 2. Also local residents may choose to make use of facilities at the Gordon Banks Sports Centre or the new Community Fire Station.

The Outdoor Bowls Green could remain in situ (or be relocated if preferable), but the arrangements for any pavilion building would need to be confirmed based upon funding and long term needs.

The Astroturf Pitch usage could be signposted to a similar facility at locations including Kidsgrove Sports Centre, Gordon Banks Sports Centre, Chesterton High School, Newcastle Community High School and Keele University. Should the pitch stay in situ, it could be operated by the Council's Football Development staff (on a break-even basis) or leased to a local football club with permission to sub let.

3. **Options Considered**

The key options for consideration are:

- (a) Do nothing – this is not an option once the building becomes operationally redundant.
- (b) To dispose of the Knutton Recreation Centre site in isolation without any restrictions.
- (c) To dispose of the Knutton Recreation Centre site as part of a comprehensive treatment of the surrounding area and including the retention of the Bowling Green and 3G pitch (with 'local management').

Should the latter option be pursued then members are invited to consider:

- The inclusion (or not) of a small convenience store as part of the redevelopment proposals,
- The role and specification of the proposed replacement bowling green pavilion,
- The possibility of future community-led management arrangements for both the bowling green and 3G pitch and
- The inclusion of adjacent Borough Council-owned land in the scope of any Planning Brief and marketing exercise in order to secure a comprehensive solution for the overall benefit of the area.

4. **Proposal**

Option (c) is preferred because it strikes a balance between the simple realisation of a capital receipt with the longer term improvement and sustainability of the Knutton village community. Additionally Members are recommended to agree to the four additional matters listed above.

5. **Outcomes Linked to Sustainable Community Strategy Corporate Priorities**

- 5.1 Proposals for the redevelopment of this site fall within the Council's priority of 'Creating a Borough of Opportunity'. It will also have implications for the Council's policies on the environment and sustainability.

6. **Legal and Statutory Implications**

- 6.1 The Council is not under any statutory duty to act but is under a duty to seek 'best

consideration' when disposing of any land.

7. **Equality Impact Assessment**

- 7.1 No discernable differential impact has been identified by the possible disposal of this site. There will be a requirement that 25% of any housing built on the site shall be 'affordable'.

8. **Financial and resource implications**

- 8.1 A capital receipt from the sale of the Knutton Recreation Centre is expected to realise around £1million, including covering the restrictions that the County Council retain over the site. This requirement formed part of the initial business case for Jubilee 2, which was agreed before the construction contract was tendered.
- 8.2 The revenue funding from Knutton Recreation Centre (along with that from the existing Jubilee Pool) is required to operate Jubilee 2. The net cost (excluding central recharges) for Knutton for 2011/12 is £131,270. The net cost for Jubilee Pool for 2011/12 is £255, 410 (£386,680). The net cost (full year) for Jubilee 2 is £363,808.
- 8.3 There is no revenue finance to operate Knutton Recreation Centre, once Jubilee 2 opens.
- 8.4 There is a claw back clause associated with the 'Football Foundation' grant for the Astro turf (3G) pitch (on a sliding scale over 21 years). If the pitch was to be removed this currently stands at around £90,000 and therefore your officers have assumed that it should remain in order to improve the viability of any redevelopment scheme. The two key issues that will inform members' decision about retention or removal of the pitch will be: (a) the appetite of local community groups to take responsibility for the long term maintenance and management of the facility and; (b) any prospective developer's view in this regard.
- 8.5 There would be a cost to commissioning the preparation of any site-specific brief and marketing particulars; these costs would be met from any subsequent capital receipt.
- 8.6 Clearly there would be capital costs arising from any decommissioning / demolition works as well as for the establishment of any interim use. There may also be interim costs arising from holding the redundant asset. All such details would be the subject of a later report, once the Planning Brief and marketing particulars have been prepared.

9. **Major Risks**

- 9.1 The key risk is the uncertain level of demand for the redevelopment of the site. This will have three main consequences – a delay in providing the Council with a capital receipt; a delay in delivering regeneration in the centre of Knutton and; the potentially damaging effect on local morale of prolonged land vacancy.

10. **Key Decision Information**

- 10.1 This proposal has the potential to generate a significant capital receipt for the council to support the execution of the Council's Capital programme.