

## **TRAFFORD COUNCIL**

**Report to:** Executive  
**Date:** 21 March 2022  
**Report for:** Decision  
**Report of:** Executive Member for Culture and Leisure

### **Report Title**

Leisure Strategy Review – Part I

### **Summary**

The report provides an update on the leisure investment strategy and associated refurbishment options for Altrincham, Sale and Stretford Leisure Centres

The report seeks approval to proceed to the next stage in the refurbishment process, RIBA stage 3 for Sale Leisure Centre. This will provide a greater level of cost confidence before seeking Executive approval to progress to planning for Sale Leisure Centre.

### **Recommendations**

That the Executive.

- 1) Following the successful completion of RIBA stage 2 for Sale Leisure Centre, and an independent review of the income and expenditure, approves the continuation with the proposed capital investment into the design of the refurbishment up to the end of RIBA Stage 3 at a cost of up to £300k
- 2) Notes that the outcomes of the RIBA Stage 3 report for Altrincham Leisure Centre will be presented to the Executive in July 2022.
- 3) Notes that, in parallel a full business case review will be undertaken for Stretford Leisure Centre and will be presented to the July 2022 Executive for approval to proceed to RIBA Stage 3.

Contact person for access to background papers and further information:

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Background Papers: Exec Report December 2021

### **Implications**

Relationship to Policy Framework/Corporate Priorities	Contributes to and supports the revised (2021) Corporate Priorities: Reducing Health Inequalities and Addressing our Climate Crisis. It will also support the Active Travel Strategy.
Relationship to GM Policy or Strategy Framework	The decision relates to the GM Moving strategy in terms of the aim to increase physical activity levels and GM Gear Change in relation to Active Travel.
Financial	<p>In February 2022 Executive approved £52.1m into the capital programme to cover the costs of the proposed refurbishment of Altrincham, Sale and Stretford Leisure Centres. The recommendation in this report is to spend c£300k of the approved capital budget to progress the refurbishment proposal to the end of RIBA stage 3 for Sale Leisure Centre. This will provide greater cost and risk certainty and inform the business case to confirm the amount and affordability of the approved capital expenditure.</p> <p>The spend relating to RIBA stage 3 will be at risk and will be a revenue budget pressure should no refurbishment programme be undertaken.</p> <p>The revenue budget and reserves approved by Council in February 2022 included support for a full range of leisure provision for 2022/23 and over the medium term. Operating losses in the region of £1.5m in 2021/22 are currently being supported from Council reserves and one-off external funding. The identification and funding of revenue costs to support business disruption during the refurbishment programme will also need to be assessed and considered as part of the ongoing budget setting process.</p>
Legal Implications:	There are no legal implications in this report
Equality/Diversity Implications	An Equality Impact Assessment is to be completed with each refurbishment design at RIBA Stage 3.
Sustainability Implications	The redevelopment designs include the replacement of the fossil fuel (gas) heating system with Air Sourced Heat Pumps and Solar Panels

	<p>which are both significantly more sustainable options than those within the existing facilities.</p> <p>The refurbishment option will reduce the carbon omissions compared to a new build development</p>
Carbon Reduction	<p>The redevelopment designs include the replacement of the fossil fuel (gas) heating system with Air Sourced Heat Pumps and Solar Panels which are both significantly more sustainable options than those within the existing facilities.</p> <p>The refurbishment option will reduce the carbon omissions compared to a new build development.</p> <p>Increased cycle storage provision and links to the existing Active Travel network are to be incorporated into the designs.</p>
Resource Implications e.g., Staffing / ICT / Assets	No direct implications
Risk Management Implications	<p>Detailed surveys including condition, structural, mechanical, and electrical surveys have been completed that provide a level of cost detail however a greater degree of confidence in overall costs will be gained at completion of costed designs at RIBA stage 3. Additional intrusive surveys will be completed during Stage 3 to further reduce the risk to the Council.</p> <p>The risk associated with the durability of the 'Sale Club Pool' during a future refurbishment of the Sale Leisure Centre will be initially mitigated through conditional works identified within the RIBA Stage 2 report and further mitigation to be identified through additional surveys to be commissioned during RIBA Stage 3.</p> <p>Lessons have been learnt from the Move Urmston project to mitigate risk and provide greater cost certainty.</p> <p>The capital will need to be paid back by increased income and profits generated by the centres. To mitigate the risk around this, the Council has commissioned independent due diligence of the business plans as part of our risk mitigation.</p> <p>There is a risk associated with inflation, market conditions i.e., suppliers and therefore the time lag associated with getting the projects to construction commencement.</p>

	<p>There are several risks and mitigation options to be considered with any potential phasing of the construction works across the 3 leisure centres. Not least this will include the financial impact on Trafford Leisure and the ability to maintain business continuity of service provision during the works.</p> <p>Costs associated with getting the projects to the Executive approval and then to the planning stage are a risk to the Council until a successful planning decision, judicial review period and procurement of contractors.</p>
Health & Wellbeing Implications	Investment into the Leisure Centres will provide facilities that encourage physical activity which is a key component to improve the immediate and long-term Health and Wellbeing, including mental health for the residents of Trafford. This will be achieved by providing facilities and programmes of engagement that target the inequalities in Trafford and provide opportunities to reduce the levels of inactivity.
Health and Safety Implications	<p>A “do nothing option” would result in the leisure centres being closed in part due to health and safety concerns as there are health and safety risks that are being managed in the centres.</p> <p>The leisure centres could continue to be patched up, but the longer that this continues, the higher the risks become in terms of health and safety</p>

## 1 Background

1.1 Physical exercise plays an important part in improving the health and wellbeing of Trafford residents, supporting them to live longer and in better health. Research suggests that the proximity and access of a leisure centre to where you live has a bearing upon the amount of exercise taken and leisure centres play a vital role within the local community.

1.2. Trafford has one of the biggest swimming programmes in the country that is enjoyed by many young school children from an early age. Pools are not commercially viable when you take account of the capital costs associated so any loss in provision would not be met commercially through private sector operators. This would push residents towards more expensive options available in the market and outside the borough.

- 1.3 The Council is currently subsidising Trafford Leisure losses from its revenue resources, estimated to be £1.5m in 2022/23. This is expected to rise as the assets decline. Capital maintenance of £8+m has already been approved for essential statutory works and these will also increase over time. This is effectively the “do nothing” or minimal maintenance scenario.
- 1.4 The 2020 refurbishment of Urmston has delivered improved facilities and improved usage and financial returns which pays back borrowing and reduced the subsidy the Council is making against Trafford Leisure’s overall losses.
- 1.5 With the facilities in decline the strategic importance of this to the Council’s aims and corporate priorities is paramount.
- 1.6 The Strategic Outcomes Planning Model (SOPM) Stage 3 adopted in December 2021 provided an in-depth analysis of the needs and gaps across the borough and in each location i.e. Altrincham, Sale and Stretford in relation to sports facilities.
- 1.7 Alliance Leisure were procured via the UK Leisure Framework to lead on the design, in conjunction with Sport England, and development of Altrincham, Sale and Stretford refurbishments to provide some cost confidence for the three centres particularly mindful of the impact of the pandemic and in turn the impact on construction costs and general market conditions.
- 1.8 The analysis on the facility mix needed across the leisure centre estate included both evidence base, via commissioned reports, in terms of supply and demand for swimming pools and sports halls across the borough, as well as preliminary consultation with both users and non-users as to what would encourage them to use leisure centres more.
- 1.9 In addition, the costed designs and business cases of the three refurbishments for Altrincham, Sale and Stretford continue to inform any phasing of the refurbishment programme, assessed against the following key factors:-
- Business continuity
  - Maintaining a leisure offer
  - Capital costs
  - Life expectancy of assets
  - Income and revenue loss
  - Displacement of sport and physical activity
  - Staff morale and retention
- 1.10 The Council and Trafford Leisure continue to seek external funding to support the affordability of the business cases for each refurbishment.

## **2 Alignment to strategy**

- 2.1 Trafford Moving - After receiving approval from Executive in December, the focus, at this stage for is to deliver a robust and considered consultation which will be reported back in July 2022 to executive. The insight will support the outcomes of both the Leisure Strategy and Active Travel strategy.

2.2 Walking and Cycling - A key component of the walking and cycling strategy will be to ensure that our Leisure Centres are easily accessible to local communities and provide facilities that encourage and promote active travel.

2.3 At each leisure centre there will be improved shower and changing facilities and where possible secure cycle storage. This investment in local facilities and infrastructure, will improve access to leisure centres and makes active travel a viable option for more people. Commuters and shoppers alike will be able to safely and comfortably access town centre leisure facilities and conveniently connect with local tram and travel networks to complete their onward journey.

### **3 Sale Leisure Centre**

3.1 To fully understand the costs associated with the Sale Leisure Centre refurbishment and the proposed facility mix, we will now need to move to the next stage of the refurbishment process whilst reducing our risks. Progressing to RIBA stage 3 at a cost of circa £300k will build on the structural and building survey work completed to date and provide a costed design for Sale.

3.2 Sale Leisure Centre – The proposed facility mix includes:

- 25m swimming pool – Six lanes
- 12.5m learner pool
- 22.9m club pool
- Pool pod to improve accessibility
- Combined lobby area with pool viewing and cafe
- Sauna and steam facilities with direct access to the pool side
- Wet village change including individual, group change and a Changing Places accessible facility
- Dry change
- Main pool viewing gallery on the first floor
- Four court sports hall
- Enlarged fitness suite
- Wellness assessment room
- Functional studio and storage
- Immersive spin studio
- Two studio spaces
- Staff rooms and offices

3.3 Drawing on the detailed analysis provided through the SOPM process and the independently reviewed business case, the costed RIBA Stage 3 designs will provide a greater level of understanding of cost and assurance of affordability of the refurbishment of Sale Leisure Centre and the overall programme. This process may also result in informed changes to the facility mix currently proposed.

3.4 There are three separate swimming pools within Sale Leisure Centre namely the main pool, the teaching pool and the 'club pool'

3.5 The 'club pool' at Sale Leisure Centre is over 120 years old and was built prior to the surrounding building. The pool is 20m by 10m and accommodates the school swimming programme and the majority of swimming club hours and supplementary activities including pool classes

3.6 The 'club pool' at Sale Leisure Centre will be retained as part of the designs, however it is not included in the current refurbishment programme due to its cost and impact on the business case.

3.7 We will need to proceed with immediate essential conditional works identified during the RIBA Stage 2 Report and any additional works identified to support the longevity of this facility, during the RIBA Stage 3 process, will be reported to Exec in October 2022.

3.8 Max Associates have been commissioned to complete an independent options appraisal of the 'club pool' facility so that we can make an informed decision when we consider its future.

#### **4 Altrincham Leisure Centre**

4.1 Based on the proposed facility mix in December 2021 in depth consultation took place between the 12<sup>th</sup> and 30<sup>th</sup> January 2022.

4.2 The outputs are to be used to inform the RIBA Stage 3 designs for Altrincham Leisure Centre to commence in March 2022 to give the best outcomes for residents whilst providing the commercial outcomes required for the business case to fund the capital investment and reduce existing ongoing budget pressures.

4.3 The Council's Citizen Space portal was used to ask residents 26 questions relating to themselves and the proposals for the leisure centre.

4.4 The consultation was promoted using the Council's and Trafford Leisure's social media as well as in a press release to the local media. The consultation was picked up and therefore promoted by a number of local media outlets. The consultation was also promoted across various busy sites in Altrincham including the leisure centre, library, transport hub, Trafford Housing Trust venues, schools and retail outlets. The promotion continued throughout the consultation period.

- 576 people responded to the consultation.
- 53% female, 43% male with 4% not answering.
- 12% were under 35, 66% were between 35 and 54 and 18% were over 55 with 1% not answering.
- 54% were physically active for over 150 minutes a week with 45% doing less than 150 minutes of physical activity a week and 1% not answering.

4.5 On top of the public consultation a number of online open sessions were held which attracted around 30 residents. These sessions focused on the proposed facility mix for the centre.

4.6 Several stakeholders have also been contacted and participated in a focused discussion on their area of interest. These included local sports clubs, national sporting bodies and local public groups.

4.7 The results and outputs from this consultation will be analysed and fed into the start of the RIBA Stage 3 to inform the designs prior to cost certainty to be reported to Executive July 2022.

## **5 Stretford Leisure Centre**

5.1 It is intended to bring a report to Executive in July 2022 with the business case for Stretford Leisure Centre.

## **6 Partington Leisure Centre**

6.1 Part of the Leisure Investment Strategy is to consider alternate options for addressing sport, physical activity and health inequalities that remain in the Partington locality, while improving the state of the leisure facilities on offer.

6.2 Trafford Council continues to work with the Football Foundation to secure investment into a second 3G pitch at the Leisure Centre.

6.3 Trafford Council has completed a procurement exercise and appointed consultants to assist with the development of a robust bid for the government's Levelling Up Fund 2 as a funding source to develop Partington into a Health and Wellbeing Hub which includes an improvement of the leisure facilities.

## **7 Consultation**

### **Sale Leisure Centre**

Public consultation will be carried out in June 2022 for Sale Leisure Centre. Consultation will be based on the current designs (RIBA Stage 1&2) and will be shared as part of the RIBA Stage 3 process and will take place with users (members, as well as those who 'pay and play') and non-users from across the local community to finalise the design of facilities and programmes of activities.

In addition, consultation will take place with key stakeholders from Public Health, MFT, Trafford Leisure, CCG and representatives from the third sector to inform opportunities for external programmes. This will take place before statutory Planning consultation.

## **8 Other Options**

8.1 Do nothing - Doing nothing means ultimate closure of the leisure centres as usage continues to decline due to the extremely poor condition of the existing facilities. During the decline the Council will incur increasing annual revenue costs to subsidise Trafford Leisure CIC as a going concern over several years and will still need to undertake significant essential health and safety capital works during the same period. Strategic outcomes will not be delivered, and this option would



directly impact on the council's ability to directly address health inequalities and climate crisis.

8.2 Undertake short term ongoing maintenance works with associated costs required to ensure the centres can remain open. However, this wouldn't drive key outcomes such as health and wellbeing or provide a revenue opportunity but would provide some maintenance cover for a zero-to-five-year lifespan. This has the same financial pressures as above and would lead to ultimate closure as capital and revenue costs escalate.

8.3 Rationalise the leisure centre estate to reduce the cost of the redevelopments, and ongoing maintenance as well as release capital to fund the redevelopments.

### **Reasons for Recommendation(s)**

Leisure Centres help support the health and wellbeing of the general population helping people to live longer and in better health. In turn, reducing the growing burden upon the health and social care system.

Trafford has a declining leisure asset, which is leading to a loss of market share by Trafford Leisure and will also negatively impact on the ability to recover usage back to at least pre-COVID levels. The Council is currently subsidising Trafford Leisure losses from its revenue resources, estimated to be £1.5m + in 2022/23. This is expected to rise as the assets decline.

With the facilities in decline the strategic importance of this to the Council's aims and corporate priorities is paramount.

### **Exempt Information**

**By virtue of Paragraphs 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by The Local Government (Access to Information) (Variation) Order, the following information has been excluded from Part 1 of this report and included in Part 2 of the report:**

**3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

**In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

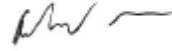
**Key Decision: yes**

**If Key Decision, has 28-day notice been given? Yes**

**Finance Officer Clearance: PC**

**Legal Officer Clearance: TR**

**CORPORATE DIRECTOR'S SIGNATURE:**

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.