
PROPOSALS FOR THE NEW PARK SPORTS CENTRE

1 SUMMARY

- 1.1 The purpose of this report is to provide Members with initial costed proposals provided by Holmes Place Leisure Management, for the provision of a new leisure facility at the former Park School site in Rayleigh.

2 INTRODUCTION

- 2.1 The existing Park Sports Centre closed to the public on 31 March 2002. As part of the recent Leisure Management Contract tendering process, contractors provided some indicative plans for the provision of a new facility on this site. Provision for this site however has not at this stage been included in the new leisure contract, due to the current situation with the proposed uses across the whole site.
- 2.2 Within the current Leisure Contract, there is however a clause stating that Holmes Place Leisure Management will work in conjunction with the Council, to provide a new leisure facility at this site by the end of 2005 (Min.47/02 – Full Council 7.2.02).

3 DETAILED CONSIDERATIONS

- 3.1 To assist in the progress of this project, indicative proposals have now been received from Holmes Place in the form of two costed options (Appendix A). These are for a new dry-side only facility, as detailed in their original tender and a second option, whereby a swimming pool facility is provided.
- 3.2 Indicative plans are included with this report (Appendices B & C) to give Members an indication of the facilities that could be included within the new building.
- 3.3 This particular mix of facilities/activities should not be seen in any way, as the final scheme but is simply to provide Members with an indication as to what is and what is not possible, together with the potential scale of costs involved. Depending on Members' views, further discussions are planned with Holmes Place around alternative combinations of facilities and their relative costs. Members need to be mindful in that deciding upon the mix of facilities, there needs to be a balance of community aspirations and commercial viability.

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- 3.4 In Appendix A, the dry-side only option would have an initial capital cost of £2 million, on the assumption that Holmes Place would invest £1.5 million pounds and the Council £500,000, to cover the capital cost. If the Centre were to open in 2005, it would cost the Council an additional charge, over and above the current Leisure Management Contract of £314,756 per annum. Clearly this figure could be reduced if more of the initial capital outlay was provided by the Authority or if the mix of facilities was reduced and / or amended.
- 3.5 The second option, which includes the provision of a swimming pool, is estimated to have an initial capital cost of approximately £4 million. On the assumption of a £1.5 million contribution by Holmes Place operating the Centre over the remaining 17 years of the Contract, would result in an initial one year unitary charge to the Council of approximately £568,425, followed thereafter by approximately £525,000 per annum (in addition to the existing unitary charge). Again, this may be reduced if the Council contributed more to the capital provision or changed the mix of facilities.

4 RESOURCE IMPLICATIONS

- 4.1 Costs at this stage are only indicative and will vary with the actual level of capital investment undertaken by Holmes Place and the final mix of facilities. For example, the Council is planning to provide a higher contribution towards the capital costs than that shown in these initial proposals.
- 4.2 The indicative costs do however show, the significant cost implications of this facility and especially with the additional swimming pool in option (2). It should be noted that in this particular option, Holmes Place would still only be providing £1.5 million towards the capital cost and therefore the Council would need to provide the balance of £2.5 million. The current budget strategy has been prepared on the basis of the dry-side facilities only.
- 4.3 In any scheme developing on this site, Members will need to be satisfied on a value for money basis and therefore there is the likelihood that professional support and advice will need to be made available to the Council. The budget implication of this will be identified later.

5 CONCLUSIONS

- 5.1 Clearly the costs coming forward in respect of providing a swimming pool on site, both in capital and revenue terms, are of such a magnitude as to be seen to be beyond the scope of this Authority. In

these circumstances therefore, it is considered this option should not be pursued further and the Authority should concentrate on a scheme that is achievable and does not generate a public debate about a new pool which cannot be delivered, given our current or future resource capacity.

- 5.2 The costs involved in the dry-side only sports facility could be reduced, either through the removal of the Healthy Living Centre or through its inclusion only as a result of Primary Care Trust funding and support. The annual management costs too, would be reduced by a further contribution from Rochford District Council to the capital costs.
- 5.3 Subject to Members' comments, it is suggested that further discussions take place with Holmes Place around the dry sports facility, concentrating on the mix of uses to be provided, the potential capital contribution from the Council and the annual management fee. The result of these discussions could then be brought back to Members within the context of the budget setting process.

6 RECOMMENDATION

It is proposed that the Committee **RESOLVES**

That Members agree that further work on this project should concentrate on the provision of a dry sports facility and that they give their initial views on the mix of facilities to be provided. (CD(F&ES))

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Background Papers:

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APPENDIX A

PROPOSED PARK SPORTS CENTRE OPTIONS

OPTION (1)

Facilities Provided: Four Court Sports Hall
Four Squash Courts
Aerobics Studio
Health & Fitness Gym
Healthy Living Centre
Creche
Outdoor Netball Courts
Synthetic Pitch
Vending Area
Reception and Changing Areas

Initial Estimated Capital Cost: £2 million

Increase in Annual Unitary Charge: £314,756.

Assumptions Made: Operational from 2005 for remaining
17 years of the current contract.

Holmes Place contributing £1.5
million to the capital cost.

OPTION (2)

Facilities Provided: Four Court Sports Hall
Four Squash Courts
Aerobics Studio
Health & Fitness Gym
Healthy Living Centre
Creche
Outdoor Netball Courts
Synthetic Pitch
Vending Area
Reception and Changing Areas
25 metre swimming pool (6 lanes)
Small teaching pool (similar in size to Clements
Hall teaching pool).

Initial Estimated Capital Cost:	£4 million pounds.
Increase in Annual Unitary Charge:	£568,425. In the first year, £525,000 each year thereafter.
Assumptions Made:	Operational from 2005 for the remaining 17 years of the current contract. Holmes Place contributing £1.5 million to the capital cost. An allowance made for the potential loss of swimming income at Clements Hall.



