

Downton Leisure Centre



Developing Sustainable Community and School Sports Facilities in Downton (Wiltshire)

STAGE ONE – the “Reality Check”

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Confidential

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1 INTRODUCTION

1.1 Context

C3 Consultants have been appointed by Downton Parish Council, Wiltshire County Council, Salisbury District Council and The Trafalgar School at Downton to investigate the development options and opportunities that may exist for the Downton Leisure Centre, which is located at Wick Lane, Downton, Salisbury, Wiltshire SP5 3NF. This preliminary report focuses on the broad options for the future re-provision of the Downton Leisure Centre, which is approaching the end of its economic life expectancy and faces a deficit funding shortfall.

1.2 Limitations of this report

This first stage report is intended to provide the stakeholders with a "Reality check" which identifies key issues, opportunities, and risks - and provides an independent view on the relative viability of each of the four broad options currently under consideration. A full Feasibility Study with an Outline Business Case will be required if the development partners consider the development proposals are worthy of further consideration. The following caveats should also be noted;

- a) A planning officer led review of open spaces / facilities audit (PPG17 requirement) will be key to underpinning the facility needs assessment and for meeting the planning requirements
- b) A more detailed discussion with Planning Officers will be required to produce a planning brief - more accurately describing the development constraints on the existing site and the possible expansion onto land to the south of the Trafalgar School
- c) No detailed investigations have been carried out into land ownership, tenure, or the existence of any covenants that may constrain disposal and/or change of use
- d) Whilst the County Council and the Trafalgar School have expressed an interest in providing partnership funding for the scheme, the value of the contribution (in principal) and the terms will need to be clarified very quickly
- e) Capital costs are roughly estimated at current rates (2008/9) , and then an inflation factor of c.10% has been applied to provide an indication of cost at October 2010 (this includes the construction industry inflation forecast)
- f) No allowance has been made for the additional use of land to the south of Trafalgar School
- g) The capital cost estimates exclude demolition costs for existing facilities, and for the removal of contaminated soil / materials, and some additional some specialist fee costs (e.g. Ground Studies etc
- h) A Planning Consultant may be required - given the complexity of the planning and disposal issues etc
- i) The Capital cost estimates exclude Fixtures Fittings and Equipment (FF&E)
- j) Operating costs and income are roughly estimated at current rates (2008/9)
- k) Further site investigations will be required for the existing Downton Leisure site and the potential site for the re-provision (always a major risk factor)
- l) Further engagement with key stakeholders, clubs, and service users will be required
- m) Further engagement with the Longford Estate / landowner will be required very quickly
- n) A Funding Options Appraisal will be required (e.g. s106, commercial enablement, prudential funding case etc) as part of the Feasibility Study (stage two)
- o) A Risk Analysis will be required as part of the Feasibility Study (stage two)
- p) A Procurement Options Appraisal will be required as part of the Feasibility Study (stage two)

1.3 Key drivers

This challenge is not just to deliver "bricks and mortar" facilities – it is to deliver a sustainable service provision which will improve the educational, social, economic, and physical wellbeing of the wider community. Any re-provision must meet the essential needs of the Football Club, The Bowls Club, The Tennis Club / users, and the Downton Leisure Centre users. If the re-provision is located adjacent to the Trafalgar School or on any additional land any new facilities must also accommodate the educational needs of school pupils (access and proximity etc). The stakeholders have also identified an additional need to provide accommodation for youth and community activities.

New facilities will need to be “owned” by the local community, and will need to be financially sustainable in the long term. The business case will need to be robust and attractive to a number of funding partners, including the local authority and the Trafalgar School. To be worthy of further consideration, any proposal that involves commercial enablement must have a realistic possibility of being successfully marketed.

The key drivers are;

Driver	Desired Outcome	Issues
It is unlikely that the operation of the Downton Leisure Centre can continue as a viable concern beyond March 2009	A viable re-provision of facilities that are needed to meet existing and future local needs (Downton and South Salisbury)	Revenue funding availability Capital funding for new facilities
Significant capital investment in the existing facilities will be required in the short to medium term to maintain the facilities in an operable condition which is “fit for purpose”	New facilities with adequate provision made for the capital cost of facility renewal and replacement.	Lack of funding available generally for investment in rural sports and leisure provision for “whole of life ” costs
The nearby Trafalgar School requires new and improved sports facilities (as recommended in their recent Ofsted Report)	Sports facilities which can meet the needs of a pupil population of up to 600. By sharing any new facilities (and providing contributory funding) the school can expect to benefit from additional facilities (over and above the basic provision afforded by the Educational funding formula. Extended Schools usage (via Joint Use Agreements) would need to afford wider community access for any new facilities throughout the year, including appropriate term time / daytime usage.	New facilities will need to be designed to accommodate combined community and schools usage (changing accommodation etc). The School will be compelled to progress with their own plans – unless the proposal for a new Joint Use facility can be progressed quickly (along with the Business Case being robust from the Schools perspective)
On 1 April 2009 Salisbury District Council will be subsumed into the new single Wiltshire Council, and so commitments to invest in revenue and capital would need to be made soon if they are to be adopted by the new authority.	A commitment would need to be given by Salisbury District Council to provide capital and revenue funding for the new facilities in time for this commitment to be honoured by the new Wiltshire Council.	Timescales for decision making will be very tight, and the (generally supportive) position of the District Council may not accord with the priorities of the new Wiltshire Council. There are no specific “deadline” dates, but it is unlikely that Salisbury District Council would wish to make new long term commitments much later than October 2008.
Budget pressures demand that Salisbury District Council review the funding of non statutory services, including Leisure. There is pressure to reduce the overall funding to sports facilities in rural areas.	There is recognition by Salisbury District Council that the public deficit funding for the Downton Leisure Centre represents good value for money (relative to Durrington, Tisbury, and Five Rivers).	Providing proper funding for the “whole of life” of any new facility may result in an apparent increase in cost (due to the fact that no adequate provision is made at present for capital renewals and replacement).

Driver	Desired Outcome	Issues
The existing site is likely ¹ to have high value for commercial redevelopment, but the value is likely to be highest if all facilities could be relocated – including football, bowling and tennis.	A mix of facilities that are viable and can create a Sport Hub with operating economies (shared changing and social facilities etc)	Replicating existing tenure arrangements may be complex to deliver, and meeting the expectations of all Clubs will be challenging. It is likely that Planning policies will be able to accommodate the relocation of facilities – subject to a planning case being made which meets the planning test – re-provision offering betterment in general.
In general, land values are falling and in other areas the appetite for new housing development is falling.	The commercial enablement opportunity must be exploited quickly, to achieve sufficient disposal value to provide the capital funding for the re-provision of the facilities.	The use of funding from commercial enablement is not unusual, but can be very complex to deliver. There is significant risk that time constraints might conspire against the stakeholders - which may result in the window of opportunity being missed unless progress is made very quickly.

1.4 Objectives of the stage one study

- a) To deliver advice, information and a set of recommendations regarding options for developing sustainable local sports and recreational facilities that have the potential to meet local community and educational needs in the future.
- b) To recommend a way forward which will avoid the unnecessary duplication of facilities
- c) To ascertain the demand for local facilities - and the most appropriate and sustainable facility mix
- d) To evaluate the 'pros & cons' of the various ways of managing local facilities - and the implications of these arrangements on long term sustainability
- e) To consider how proposed developments would inter-relate with and complement other facilities in the wider area, including those provided within schools
- f) To ascertain the level of supporting revenue assistance which may be required from partners and other funding bodies
- g) To consider the availability & likelihood of attracting other external funding

1.5 Scope of work – both stages

The client has chosen to commission work in two stages

STAGE ONE – the “Reality Check”

This will essentially provide the client with an assessment of the various options, and will involve a dialog with the stakeholders to identify key issues, opportunities, and risks - to arrive at a consensus on the relative viability of each of the options under consideration.

¹ Subject to planning constraints and the completion of a proper valuation

Stage one output

The output from Stage One includes a matrix (Addendum A) which demonstrates consideration of the following key criteria for each of the broad development options described later in this brief:

- Site Options Appraisal (GIS information to be provided by the Client)
- Planning constraints (planning brief to be provided by the local planning authorities)
- Impact on shared / adjacent / other facilities within the catchment area
- Rough estimates of capital cost for any new facilities (not necessarily by a QS, based on development costs £psm, and experience and similar project costs)
- Attractiveness to external funding regimes, and possible development partners
- Ability to deliver the aspirations of the stakeholders
- Ability to maintain and improve service standards
- Requirements for capital and revenue support - contributions / costs etc
- Compliance with educational planning and schools building models
- Management delivery options
- Value for money : Net subsidy (per cap) etc
- Ease of delivery - timelines
- Timescale constraints (speed of development etc)
- Securing wider community use etc
- Sustainability vision
- Strategic fit (local and national)
- Community "buy-in" and levels of acceptance from key stakeholders
- Risk management strategies – capital procurement , funding and operating costs etc

STAGE TWO – Feasibility Study

If commissioned, the next stage would involve a full Feasibility Study, which would;

- provide evidence of how new and/or relocated facilities will meet future local need
- provide information on the financial viability of each option including capital and revenue costs on an on-going basis which could form a Business Plan.
- explore funding options from public and private sources.
- explore options for future management given the current complex ownership and management arrangements of sports facilities in Downton.
- explore the options with all relevant stakeholders but also preserve a strong negotiating position for the community and school to deliver the highest quality outcome.
- deliver a "route map" which defines how progress can be achieved in meeting the stakeholders aspirations
- deliver outline plans showing general location, proximity, scale and general arrangement - including artists' impressions or computer generated graphics to give an indication of the kind of facilities that could be provided.
- deliver preliminary capital cost estimates for the construction of any new facilities.

The Feasibility Study would take into account of opportunities and constraints provided by:

- Land ownership and tenure issues
- Commercial enablement / disposals (valuations)
- Future potential S106 / Planning gains
- Planning policies
- Housing policies
- Competition from other local sports provision
- Educational requirements and policies
- Sports and community provision
- Youth service policies
- Future demographics

- Local Sports and Recreational Strategies
- Government policies to increase participation in Sport and Healthy Physical Activity

1.6 Scope of work - this stage of work

This "Reality Check" report is intended to provide initial answers to the following basic questions;

- What are the future needs of service users and partners?
- What are the development options?
- Will the preferred development fit on the school site?
- What are the rough capital cost estimates for the recommended development option?
- What are the likely running costs of the recommended option?

2 STRATEGIC CONTEXT

2.1 Demographics

Population

Over half of the properties in Downton are Detached Houses, at 59.1% of the total housing stock. The least common type of property in this area is Flats (4% of the total housing stock). This is an area with a high proportion of property suitable for families with children. Socially rented accommodation represents 8.2% of the total rented accommodation in the area. The majority of property in this area is owner occupied. The average price of a two bed property in this area is higher than the national average of £187894 at £220928. The population of the SP5 postcode district is 21,714, but this may rise as a result of new housing developments. Downton is one of the most "experienced" areas of the country, with an average age of 44. This area has a high percentage of married people at 20.3%. Average working hours in this area for men are 44 and for women are 30. This area is relatively rural, with only 0.6 people per square kilometre. Job prospects in the wider area are good, with low unemployment (1.3%). Most local jobs are found in the Real Estate and Wholesale & Retail sectors. Downton has a higher proportion of people who travel a greater than average distance to a fixed place of work.

Downton – SP5 - Demographic data

	SP5	SP	National
Population	21,714	216,514	52,024,138
Median Age	44	39.27	39.05
% Retirees	25.83%	22.56%	21.96%
% Unemployed	1.33%	1.79%	3.22%
% Educated to Degree level	25.74%	19.46%	19.77%
Full Time Students	377	3,393	1,766,469
% Full Time Students	1.74%	1.57%	3.40%
Total Migrants	2,191	29,508	6,336,121
% Total Migrants	10.09%	13.63%	12.18%
Average distance (km) travelled to fixed place of work	19.75	16.76	14.63

2.2 Economy

The Salisbury economy appears to be constrained by the lack of local employment opportunities. There is a labour shortage and skills gaps, which is exasperated by higher than average home prices, lower than average wages and migration of younger people from the area. This has some significance to the development proposals, since the age profile is older than average and the propensity for older people to use new facilities will be lower in the supply / demand model.

2.3 Policy frameworks

The proposed re-provision of facilities conforms with the integrated, joined-up approach to cultural services envisaged by the DCMS guidance on Local Cultural Strategies and Sustainable Communities.

2.3.1 National policy

- The national agenda recognises the wider benefits of sport and healthy physical activity for both individuals and communities (regeneration, health, crime diversion, social inclusion etc)
- The government recognises that massive investment will be required to bring the national stock of public sports and leisure facilities up to a standard "fit for purpose".
- The backlog of investment in local authority leisure assets is estimated to be at least £4.5b²
- Building Schools for the Future (BSF) provides opportunities for improved community provision (mainly dry sports) and for better school and club links
- The Government's target is to increase by 1% per annum the number of adults in England who participate in at least 30 minutes of moderately intensive sport and physical activity on five or more days each week

The following National Strategies are relevant to the development options:

- Sport Playing its Part (Sport England / DCMS)
- Sport England The Framework for Sport 2003 : A Vision for 2020
- DCMS Game Plan (2002)
- Physical Education School Sport and Club Links Strategy (PESSCL) 2002
- A Sporting future for All: The role of Further and Higher Education in Delivering the Governments Plan for Sport (DCMS/DfES)
- Every Child Matters: Change for Children and Young Peoples Regulations
- Choosing Health: Making Healthy Choices Easier: Department of Health White Paper Executive Summary (2004)
- At Least Five a Week: A report from the Chief Medical Officer (2003)
- Sport England: Towards a Level Playing Field & A Sporting Future for the Playing Fields of England

2.3.2 Salisbury District Council policy

The Council's Sport and Recreation Policy 2000 — 2005, 'Valuing our Future' was adopted in January 2000. This has not been updated, but has provided a direction for the new Sport & Recreation Strategy "Be Active Stay Active". The Strategy states the Councils' guiding principles as being;

- creating equality of access and opportunity for all sectors of society in both rural and city areas
- advocating the need for an active and healthy lifestyle and encouraging health related and other associated benefits of sport and recreation

² DCMS

- providing sports activities that are challenging, competitive, inspiring, stimulating, rewarding and enjoyable
- raising the profile of sport, recreation and physical activity
- ensuring the continuity and sustainability of all sport and recreation provision
- working in partnership to enhance provision
- ensuring a co-ordinated structure to all activities and provision
- ensuring a consistent quality of provision across all areas
- providing a life-long learning experience for all both formally and informally
- ensuring that all Salisbury District Council units provide a similar level of service to all groups

“The delivery of the council’s direct and indirect service provision will need to demonstrate how all, or most, of the above principles are met. This may be through Salisbury District Council’s own initiatives in partnership or through individual stand-alone projects/initiatives”.

Policy issue number seven - Resourcing sport and recreation

To work in partnership to ensure that the right community and specialist sports facilities are provided in the right place, against an identified need and that these facilities meet appropriate quality standards for design and management. Policy Priorities - In line with our core values, political priorities and medium term financial strategy, we will endeavour to:

Facility Development

Support the development of and investment in community facilities/activities against one or more of the following objectives:

- funding to be targeted at recreationally deprived areas/areas of greatest need
- funding to be targeted at local projects that tackle local priorities, which will enhance the local environment and ensure a distinct identity,
- giving the improvement and upgrading of facilities equal attention to that given to providing new facilities
- providing facilities to the highest possible quality, within limited resources
- linking and co-ordinating facility projects and needs wherever feasible to ensure that any urban/rural improvement projects and new housing developments have adequate sports and physical activity provision
- work with relevant partners to support the development of a County Facilities and Developers Contributions Strategy;

3 NEEDS ASSESMENT

3.1 Modelling supply and demand

By using nationally recognised modelling tools, it is theoretically possible to compare the current level of facility provision (supply) with the current and future level of need (demand). The methodology can provide a useful indicator when planning new facilities, but has limitations when applied to relatively small catchment areas with existing facilities. Modelling is notoriously difficult to apply in rural areas, and can produce erroneous results.

Sport England has collated data on the availability of publically accessible sports and leisure facilities into the national ‘Active Places’ database. Sport England have also compiled information about peoples levels of current activity, and their “propensity” to take part in sports activities. This is referred to as the ‘Active People’ database. The Sports Facility Calculator (SFC) is a national planning tool used to assess current and future demand (using data collected by Sport England). This model uses demographic information to identify the notional level of provision required for a given population based on nationally collected data.

3.2 What are the future needs of service users and partners?

The following drivers will determine the future facility needs;

- a) Population growth in Wiltshire and Salisbury generally, and in Downton in particular
- b) The achievement of the governments 1% annual growth targets for participation
- c) Growth (or reductions) in the Trafalgar school population
- d) Meeting the increasingly discerning expectations of the local community
- e) Contributing to the Sustainable Community agenda
- f) Whether or not it is possible to providing value for money facilities that can be operated efficiently and within affordability limits for deficit funders
- g) The availability of alternative facilities – within a 15 to 30 minute drive time
- h) Private sector entry to the local Health and Fitness market
- i) Changes in demand for particular sports activities

3.3 Evidence of facility need in Downton and the immediate catchment area?

As previously stated, the modelling tools for establishing facility need and measuring facility supply do not produce very meaningful results when applied to small rural areas. That said, it is clear that Downton has benefitted for many years from having a more than “average” level of sports provision. Downton residents live far closer to a wider range of sports facilities than even the average for similar communities in Wiltshire and Salisbury. It is highly unlikely that a case could be made now for providing the same scale and mix of facilities. That said, Downton are only seeking to replace the current level of provision in a more sustainable and economically viable location. It should also be noted that levels of provision in Salisbury overall are generally not good when compared to the national and regional targets for the % age of demand met. The facilities in Downton are available to a wider catchment area, but usage is predominantly by local residents (with some exceptions).

Facility	Unit of measurement	Planning models suggests need for..	Currently available – with public access	Variance (over provisions)
Sports Hall	Badminton Courts	6.13 courts	Data not shown	Database incomplete, but local provision if probably significantly higher than regional or national averages. Combining Schools use with community use will result in a very good level of provision for both the school and local catchment area.
Indoor Tennis	Full sized courts	None locally	2	Statistically not relevant (locally) – as the model suggests that there is massive overprovision.

Facility	Unit of measurement	Planning models suggests need for..	Currently available – with public access	Variance (over provisions)
				The LTA use higher ratios of courts per 1,000 population. This is the only Indoor Tennis Centre listed in Salisbury on the database.
Outdoor tennis	Full sized courts	Data not listed	Data not listed	Again, the data is not helpful. It is likely that Downton enjoys a high level of provision
Bowls	Green	Data not listed	Data not listed	Likely that local provision is fair
Fitness suite	Stations	24	44	(20 stations). Again this is unlikely to have any statistical significance. Demand

4 DEVELOPMENT OPTIONS

Options currently under consideration can be described as follows;

OPTION 1

Scenario

Convert the land currently occupied by the sports facilities in Wick Lane from recreational use to housing use, conditional on the successful re-provision of facilities and the transfer of all current sporting use except the Bowls Club, to other local sites to at least their current standard.

Re-provision

- The Downton Leisure Centre including sports hall, gym and indoor and outdoor tennis courts would be re-provided elsewhere.

Site options might include;

- Land on the Trafalgar School campus
 - Land surrounding or in close enough proximity to the Trafalgar School
 - School campus to permit educational use
 - Land to the north side of Wick Lane
- The Football Club would be transferred to the same site as the Downton Leisure Centre, or to another local site.
 - The essential elements of the Social Club might be;
 - Incorporated into the new Downton Leisure Centre
 - Re-located with the Football Club

- c) Provided within a new community facility delivered as part of the housing development (licensed community centre)
 - d) Determined to be not essential to the core needs of any of the clubs or service users (perhaps with the social events and entertainment being accommodated in existing local pubs)
- The bowling green would remain on site but the club have stated that they would require a club house / pavilion.

The overall intention would be to replicate current facilities and if possible to provide enhancement to ensure the future success of the clubs.

Commercial enablement

The land vacated would be sold by the Parish Council back to Longford Estate for its original agricultural value as required by covenants on the land. Converting the land from recreational use to housing would be conditional upon alternative recreational facilities being established and open before the existing facilities closed. The income generated by changing the land to housing would finance the move of facilities, via a section 106 and Landowners Agreement. The developer would still be required to conform to other planning obligations such as providing affordable housing.

Wiltshire County Council would invest a capital value in support of their commitment to providing a Sports Hall at the Trafalgar School to provide adequate indoor sports facilities. The value of this capital investment would be added to the value of the other sports facilities being transferred to the site to create a more efficient Sports and Leisure Centre that includes additional facilities such as an area for socialising and adequate indoor space to enable joint school and community use. The community use should be equivalent to the access currently afforded and the demand taken up at the Sports Hall and Tennis Courts in Wick Lane. The community use requirements will be defined in a Community/Joint Use Agreement.

Further consultation on the “facility mix” should take place with all stakeholders to ensure that any new facilities will appeal both to residents and to people living outside Downton.

The new Sports and Leisure Centre might also include a youth provision which would need to be funded by the County Council youth services department.

The Sports and Leisure Centre should be established on a basis which ensures that shared access for the school and community is maintained in perpetuity. The facilities may be operated directly by an existing or newly established NPDO (Non profit distributing organisation) or by a management contractor operating under an existing or newly established NPDO. In any event, the wider community use would be protected by legally binding agreements.

The Tennis Club has the support of the Lawn Tennis Association as an LTA satellite centre. Their current indoor courts were built with assistance from the LTA and Wiltshire LTA and residual rights apply. The new facilities should maintain their support and take account of any agreements that are still in place and enforceable (unless these agreements can be re-negotiated).

The Sports and Leisure Centre may include additional sports facilities where demand and opportunity exist but it is important that the centre should have a sustainable Business Plan with a level of financial security to ensure future continuity including a repairs and renewal budget. An all weather surface has been identified as a potential improvement.

OPTION 2

Scenario

As Option 1, but with the relocation of the Bowls Club to one of the sites defined in Option 1.

Re-provision

Moving the Bowls Club (operated under a separate lease) may not be absolutely necessary if it can continue independently and the land values are sufficient to fund the new Sports and Leisure Centre. The Bowls Club have identified a list of facility aspirations and it less likely that these could be met on the existing site than a new site. Elsewhere, it has been found to be beneficial for Bowls Clubs to be part of a wider Sports Hub.

Commercial enablement

The relocation of the Bowls Club would maximise the land space available for housing development – and would provide the developer with a “clean site”.

OPTION 3

Scenario

Relocate only the Football Club (and the essential elements of the Social Club), and invest the surplus from disposals into the refurbishment or renewal of the existing Downton Leisure Centre.

Re-provision

This option might still require new clubhouse / pavilion facilities for the Bowls Club – unless these facilities could be better provided within the re-developed Downton Leisure Centre.

Commercial enablement

Use the value of converting this land to housing use to invest in the current Downton Leisure Centre buildings including the Sports Hall, Gym and tennis facilities to create a sustainable future.

OPTION 4

Scenario

Make no significant changes to land use, but make changes to the operational arrangements that will enable the existing facilities to be operated viably in the long term. This might involve;

- a) the increased use of the facilities by local schools (with schools funding)
- b) improving operational performance of the Centre
- c) increasing prices
- d) changing the programming and use of facilities
- e) reduce the cost of operations – perhaps by the use of volunteers
- f) procure a new operator
- g) attract new funding – capital and revenue
- h) increasing the Health and Fitness offering
- i) target capital investment to achieve an ROI

4.1 Development options analysis

Option	Advantages	Disadvantages
1	<ul style="list-style-type: none"> • Has the potential to deliver sustainable new facilities in Downton • Has little effect on the Bowls Club • Considerably reduces the size of the land required for re-provision • Trafalgar School benefits from better facilities (than would otherwise be provided by the County Council) 	<ul style="list-style-type: none"> • Will not realise the maximum value from commercial enablement • Bowls Club Pavilion / Club House will still need to be funded from proceeds - and this will inevitably lead to some duplication of facilities (changing and social facilities) • Relatively complex to deliver •
2	<ul style="list-style-type: none"> • Has the potential to deliver sustainable new facilities in Downton 	<ul style="list-style-type: none"> • The Bowls Club would need to relinquish their leasehold interest , and may need to share facilities elsewhere

Option	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Will realise the maximum value from commercial enablement • Likely to be more attractive generally to developers • Bowls Club likely to benefit from new amenities, and from being part of a Sport Hub 	<ul style="list-style-type: none"> • Increased complexity introduced by independent leaseholder
3	<ul style="list-style-type: none"> • Cost of re-provision of the Football Club will be high • Likely to realise some surplus for investment in the Downton Leisure Centre – to extend the life of the building • Opportunity to improve the Health & Fitness offering 	<ul style="list-style-type: none"> • No significant benefit to Trafalgar School • Unlikely that the Social Club could be viable in any location • Unlikely to provide significant new revenue (except from a capital release endowment or from marginally increased revenues) • Bowls Club likely to require some replacement of Social Club facilities in the Leisure Centre or for their own use • Trafalgar School would still develop a Sports Hall which would have extended use – creating local “competition” for the Leisure Centre
4	<ul style="list-style-type: none"> • Relatively straight forward and quick to deliver • May provide a short term solution and relieve some revenue funding pressure 	<ul style="list-style-type: none"> • It is highly unlikely that a Business Case could be made for any significant improvements • Improvements highly unlikely to result in a viable facility in the medium to long term • Not very attractive to funding partners • Missed opportunity for the development of better facilities close to Trafalgar School

4.2 Will the preferred development fit on the site?

At this stage it is not possible to confirm the dimensions of the overall site footprint required. There are multiple permutations. It would appear that there is sufficient land to the south of Trafalgar School that if available might provide for the full re-provision of all facilities even without a tight configuration – as described in Development Option 2.

See Addendum B for further details

Facility	Footprint dimensions (approx)	M2
Sport & Leisure Centre – ex Tennis Hall	35m x 28m	980
Tennis Hall	37m x 37m	1,221
Pavilion	29m x 13m	377
Football pitch and Stand	110m x 80m	8,800
Bowling Green	45m x 45m	2,025
Outdoor tennis courts	38m x 25m	950
Car Parks and externals	30m x 40m	1,200

5 CAPITAL COST ESTIMATES

See Addendum B for further details

Facility	Rough cost at 10/2010 prices
Sport and Leisure Centre – Flexible 6 court hall, adult & junior Fitness Suite, small Youth Space - <u>Excluding</u> the Indoor Tennis Hall	£2.1m
Indoor Tennis Hall – with two courts, to share the changing facilities in the Sport and Leisure Centre and/or Pavilion. <i>(A significantly lower cost option might involve a slab and bubble dome)</i>	£977
Football pitch and small stand for c.100 spectators, floodlit, drainage and irrigation to FA standard. Sharing Pavilion changing	£460,000
Pavilion – 6 full sized rooms including officials, small social area and kitchen (could be licensed). To be used by outside sports (Bowls, Tennis, Football)	£793,000
Outdoor floodlit tennis courts x 3	£240,000
Bowling Green	£200,000
Car park and externals * (included in Sport & Leisure Centre)	£120,000
Rough estimates – TOTAL of full re-provision	£4.77m

Included

Construction, Externals and Services, 10% contingency, rough inflation factors to 10/2010, Prelims (c.8%) Design fees (c.8%),

Excluded

Excavation / demolition of existing facilities , removing / cleaning contaminated soil etc, other specialist fees (Planning, CDM, legal etc), FF&E

6 REVENUE COST IMPACTS – Downton Leisure Centre

The current situation is not sustainable.

“Doing nothing” is not an option.

The BWSCA is on the verge of insolvency. Any unforeseen problems might lead to a terminal event. Problems might include the impact of a major repair liability, a further significant increase in utility costs, the reduction or withdrawal of grant from the local authority, or the loss of income as a result of new private sector facilities opening nearby. Whilst the BWSCA are operating very diligently and at low cost, very few facilities of this nature can be sustainable without significant revenue support from partners (usually local authorities). Regardless of the funding issues, the centre will be in need of significant capital investment over the coming years and there are no reserves available for renewals and capital repairs.

From the information made available, it would appear that the existing facilities appear to be operated diligently by Beacon Leisure Ltd on behalf of the BWSCA, and there is no (apparent) potential for significantly increasing revenues or reducing operating costs.

There must be some concern about the would Without long term commitment to revenue funding Information has been provided by Beacon Leisure Ltd, and by the BWSC. This information has been summarised – but not attached to this report by the author (commercially sensitive). The client may choose to release this information.

Trading information has not been considered for the Tennis Club, Social Club, Bowls Club, or the Football Club. At this stage, it is assumed that the financial position of these Clubs would be “no

worse" if relocated. The Business Case for the inclusion of a Social Club would need to be established. It is unlikely that a similar Club could operate viably (this type of club is typical of many clubs across the UK that are not viable in the long term). It may be that the hospitality needs of the Bowling Club, Tennis Club, and the Football Club would need to be met from the use of local Pubs or Halls – supplemented by a small social area in the shared Pavilion (which could be licensed).

Headlines

Funding needs	Current	If relocated
Deficit funding requirement for simply remaining solvent	c.£40,000 per annum	Nil
Funding for reserve / repairs, renewals and sinking fund	Not available	c.£40,000

7 FUTURE OPERATING ARRANGEMENTS

There are a number of possible management delivery arrangements for any new facility.

These can broadly be described as;

- a) Direct management by staff to be employed by the Trafalgar School at Downton
- b) Management by the existing BWSCT via management contractor (such as Beacon Leisure)
- c) Management by staff employed directly by the BWSCT
- d) Management by a newly established local NPDO (Trust)
- e) Management by a County wide NPDO (Trust)
- f) Management by a private sector operator

The key financial criteria will be the ability to benefit from mandatory (and possibly discretionary) relief on the NNDR, and Vat concessions for some sports activities. Only options c), d) and e) could safely achieve these financial benefits. The claiming of NNDR relief under the current arrangement may be open to challenge on the basis that the beneficial occupier of substance is actually Beacon Leisure (who are not a charitable organisation).

Options a) and b) involve the transfer of risk to the employing organisation.

Option e) has some potential if the new local authority decides to create a Trust to operate facilities in the area, as there would be significant savings deriving from economies of scale. The control of pricing and programming would cede to the new Trust and local "ownership" would be diluted.

It is thought unlikely that any private sector operator would be interested in running the existing or new facilities, as there would be no commercial benefit accruing.

The recommended option

Since risk ultimately sits with the BWSCT it is likely that option b) would present the best option. TUPE would apply to the existing staff. Savings would accrue from the elimination of the Beacon management fee which could either be saved, or used to fund a full or part time managers post (with some residual saving).

Securing wider community access

Regardless of the chosen management delivery option, the use by the wider community in the term time, daytime and at all times other than when in use for Trafalgar School, can be secured via a Community Use Agreement. This would define the community access, and also provide for the fair apportionment of operating costs to be charged to the school (the reverse applying if the school is the principal (per option a))

8 CONCLUSIONS

- a) The residents of Downton and nearby areas, currently enjoy a very high level of access to a wide range of facilities (relative to the UK, and Wiltshire in general). This is largely due to the huge efforts of local people over the years, and from the continuing support of the District Council.
- b) It is clear that the Trafalgar School in Downton is an excellent focal point for the local community, and that they are fully committed to the extended schools agenda – making schools facilities more accessible to the wider community.
- c) The status quo is not an option, as the current arrangements are not viable and appear to be unsustainable beyond March 2009. If nothing is done, then it is very possible that the existing Downton Leisure Centre might not be able to remain open without significantly more revenue funding from the local authority (or others). The local authority is already faced with financial pressure to minimise their investment commitments in rural sports facilities.
- d) The appeal of a “new build” to third party funders will be limited, due to the fact that new investment by bodies such as Sport England tends to be directed at areas with higher deprivation and with larger catchment areas.
- e) Downton will have new housing developments which will increase the demand for excellent sports and community facilities
- f) Receipts from “planning gains” from the development of land for housing adjacent to the Downton Leisure Centre will not be sufficient to fund the re-provision of the BWSCA facilities.
- g) The land adjacent to the Trafalgar School (and other land to the south) would provide a better site for the location of an accessible, modern “Joint Use” community Sports and Leisure Centre.
- h) It is likely that a capital contribution from the Wiltshire County Council and the Trafalgar School towards a new Joint Use facility would be no greater than the cost of a stand alone school Sports Hall. At some stage in the near future the school will need to progress with their plans, and the new Hall would be designed to accommodate more community use and so would “compete” locally with the Downton Leisure Centre. The catchment is too small to sustain two public Sports Hall. If the Tennis Hall and Courts (and perhaps other facilities) the Trafalgar School pupils will gain access to a much larger range of excellent facilities than they would otherwise have access to.
- i) The support of the new local government administration cannot be assured - so a commitment by Salisbury District Council is needed urgently.
- j) With effective management arrangements in place, and with appropriate programming and pricing policies, a new “Joint Use” facility close to the Trafalgar School will;
 - be viable and sustainable in the long term
 - achieve higher utilisation (court occupancy rates)
 - benefit the Trafalgar School - by providing better facilities than a basic school sports hall
 - improve links between school sport and local clubs (PESCCL)
 - widen community access in general – extended schools agenda
 - promote lifelong learning
 - improve social cohesion
 - help achieve an increase in active participation in sport and healthy physical activities
- k) New facilities would provide better accommodation for a wider range of users, whose needs can more easily be met in a new facility offering full Disability Discrimination Act (DDA) compliance. In the future, a new facility will be more able to meet the expectations of increasingly discerning customers. The new facility would be likely to operate at a considerably lower deficit than other facilities in Salisbury, and would cater for demand in the South of the District. Deficit funding from the local authority would be available for a reserve, and for the creation of a repairs and renewals fund.
- l) The viability of the whole development will be dependent up the valuation of parts of the existing Downton Leisure Centre site, and upon many other planning constraints.

- m) The Parish Council, other key individuals and stakeholders, are very obviously committed to continuing with an open dialog with all parties – especially the local community.

It is not possible to warrant the validity or accuracy of the preliminary estimates and forecasts within this report. The authors will not be held liable for any direct or indirect losses, financial or otherwise, associated with the contents of this report. The actual performance of any new facilities will be dependent upon the management of those facilities by others. The authors warrant that they are not aware of any association with any third party with an interest in the development of the facilities, or any other consortia.

ADDENDUM A

Spreadsheet

Attached as hard copy, and in e-form

Current operating costs and income – restricted (for client issue only)

ADDENDUM B – Accommodation schedule

Spreadsheet

Attached as hard copy, and in e-form

Accommodation schedule and rough cost estimates
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