



**THE EXECUTIVE - INDIVIDUAL EXECUTIVE DECISIONS**

**Date: Thursday, 21 November 2024**

**PART 1**

1. Proposed Investment options for MyActive New Mills (**Pages 3 - 20**)

**MARK TRILLO**  
**EXECUTIVE DIRECTOR & MONITORING OFFICER**

This page is intentionally left blank

## HIGH PEAK BOROUGH COUNCIL

### The Executive - Individual Executive Decision

21 November 2024

<b>TITLE:</b>	<b>Proposed Investment options for MyActive New Mills</b>
<b>EXECUTIVE COUNCILLOR:</b>	<b>Councillor Damien Greenhalgh - Deputy Leader &amp; Executive Councillor for Regeneration, Tourism and Leisure</b>
<b>CONTACT OFFICER:</b>	<b>Robert Wilks – Head of Leisure and Environmental Services</b>
<b>WARDS INVOLVED:</b>	<b>All Wards</b>

#### Appendices Attached – None

#### 1. Reason for the Report

- 1.1 To summarise investment proposals for MyActive New Mills and seek approval to commence a consultation period on these options for an agreed period. To also seek approval to progress the energy efficiency project, including approving the funding allocation to this project as outlined.

#### 2. Recommendation

- 2.1 That the Executive Councillor notes the progress made to develop potential investment options for MyActive New Mills and agrees to enter a period of consultation on these options as detailed in the report.
- 2.2 That plans to complete energy efficiency works at MyActive New Mills are agreed, and that the funding shortfall outlined in section 8 is approved and that authority is given to enter the Delivery Management Agreement with Alliance Leisure Services Limited to deliver the project.

#### 3. Executive Summary

- 3.1 On 30th November 2023, the Executive received a report setting out a proposed investment option for MyActive New Mills (formerly New Mills Leisure Centre). Members reviewed the option and requested that local engagement takes place, particularly with those groups/clubs potentially affected by changes that were proposed to the sports hall and squash court. Executive Councillors also requested that alternative options be explored, with a view to sharing these for wider public consultation at an agreed point in time in the future.

- 3.2 Over the course of the months that followed, engagement with potentially affected user groups, together with work from the Council's professional team of architects and contractors took place, resulting in two potential investment options new being proposed. During this time, the opportunity to bid for Sport England funding to improve the green credentials of the centre also emerged and the Council was successfully awarded £587,884 in grant funding. The proposed next steps relating to this project are detailed in section 8 of this report.
- 3.3 Both options propose some level of change to the existing facilities and services within MyActive New Mills which is due to the need to expand and refocus the Council's facilities within the existing building footprint and to align more closely to the long term vision for Alliance Leisure Limited (ALL). The potential impact on the main areas that could be affected, including the sports hall and squash court, are summarised in section 7.11 – 7.19 of the report.
- 3.4 For the Council to make any kind of substantial investment into MyActive New Mills, several principles for any potential development option must be followed, as summarised below;
- Meets the strategic priorities of the Council.
  - Address identified latent demand/shortfalls in facility provision locally.
  - Be deliverable and financially viable, with the improvements funded generating sufficient additional participation and corresponding revenue growth to pay back the respective level of borrowing.
  - To support the long term financial sustainability of the centre. i.e. to reduce the ongoing level of subsidy provided by the Council towards operating the centre over the next 10 years

#### Investment Option 1

- 3.5 In December 2023, the Executive reviewed a proposal for the Council to make a £2.488m capital investment into MyActive New Mills. This proposal included:
- Conversion of the existing 4 court sports hall into a 3 court sports hall.
  - Construction of a mezzanine floor in the space of a single court to contain an extension to the existing fitness suite on the ground floor and a large group exercise studio on the first floor, connected by a staircase and new platform lift.
  - Convert the existing squash court into a 'community wellness suite', to create a dedicated space aimed at people who may be new to exercise, or suffering with long term health conditions, and an expansion to the exercise by referral scheme.

- Reconfigure office space and existing room used for group cycling into a larger, dedicated group cycling facility.
- Refurbish the reception area with new counter and install a grab and go food and beverage offering.
- Refurbish the pool viewing area to provide an inviting social space with cold and hot vending options.



3.6 Further to the engagement process officers coordinated earlier this year, with stakeholders including the councillors and user groups, a further design option has been developed, details of which are outlined below for consideration. This proposal has been costed at £3.67m but is still subject to a RIBA 4 design process, which would cost a further £240k.

3.7 This proposal includes:

Investment Option 2

- Retention of the existing 4 court sports hall.

- Convert the existing squash court and female dry changing room to form an extended fitness gym.
- Construction of a mezzanine floor in the space above the squash court and part of the existing gym to create a large group exercise studio on the first floor, connected by a staircase and platform lift.
- Convert the existing group exercise studio into a Community Wellness Suite aimed at people who may be new to exercise, or suffering with long term health conditions, and an expansion to the exercise by referral scheme.
- Refurbish the existing space used for group cycling to create dedicated, immersive space with an increased range of classes, modern décor and the latest audio/visual technology.
- Refurbish the reception area with new counter and install a grab and go food and beverage offering.

Refurbish the pool viewing area to provide an inviting social space with cold and hot vending options.



### Public Consultation

- 3.8 As previously agreed by the Executive, a period of public consultation will take place where the above investment options are released for comment. It is likely this process will commence on Friday 29th November, using the approach outlined below:
- 6 week consultation period.
  - Microsite created outlining each investment option with corresponding 2D designs.
  - Use of an online form, such as survey monkey, to gather feedback.
  - Display boards at MyActive New Mills outlining potential investment options, including QR code to microsite and corresponding survey.
  - Consultation 'drop in session' to be held in person at an appropriate local venue e.g. New Mills Town Hall.
  - Include a 'No Investment' option.
- 3.9 Once the period of consultation has ended, results will be analysed and an Executive report developed for review before the end of March 2025, including recommendations as to how the project could proceed.
- 3.10 Squash courts at MyActive Glossop are currently closed pending a structural report, including recommendations as to what remedial works may need to be completed. As part of continuing with this consultation process, it is recommended to suspend making any final decision until the outcome of surveys and the future of the squash courts at MyActive Glossop are known.
- 3.11 **Sport England Swimming Pool Support Fund (SPSF)**

### Project background and scope

- 3.12 As previously reported, the Council was successful with an application to the Sport England Swimming Pool Support Fund for £587,884 to complete energy efficiency works at MyActive New Mills. The scope of the funding secured covers works including:
- Replacement of the existing air handling unit that is reaching the end of its life.
  - Adding heat recovery capabilities to the new air handling unit.
  - Installation of photovoltaic (PV) panels across the roof of the building in several locations where they will perform most effectively.
- 3.13 A summary of this project has been provided to the Community Select Committee previously and subsequently approved by the Executive, however at that time, specific detail regarding the condition of the existing flat roof where the new air handling unit is proposed to be located was unknown. A recent assessment of the roof by an appropriately qualified specialist contractor has confirmed that, aside from a small number of areas showing early signs of water egress, the overall covering is in reasonable condition and has a good amount of life remaining (approximately 5 years).

- 3.14 It is therefore recommended the existing roof covering remains in situ and that repairs to the value of £10k are completed. To assist with the future replacement of the roof covering, the air handling unit structure and fixing points will be manufactured to give sufficient clearance between the underside of the unit and roof finish.
- 3.15 To engage contractors and relevant supply chain to meet the spend deadline of 31<sup>st</sup> March 25 stipulated by the grant agreement with Sport England, officers have identified a compliant procurement framework as outlined in section 8.6 of the report to help expediate this project, subject to receiving the necessary approvals.

#### Delivery Programme

- 3.16 The construction phase of the project will take approximately 19 weeks to complete, in addition to a further 14 weeks prior to this to progress through the respective planning process for the PV panels and air handling unit. During the 19 week construction phase, it is expected that a closure of the swimming pool will be required for 4 weeks, to enable contractors to replace the pool hall ventilation system which is located directly above the pool.
- 3.17 The Council's new health and wellbeing company, Alliance Leisure Limited (ALL) are responsible for operating the centre and have forecast that a 4 week closure of the swimming pool will result in a loss of income of approximately £40k. This impact would be reported to the Council and an adjustment made to the monthly service charge paid to ALL from the Council.
- 3.18 It is not anticipated that any other significant disruption to the internal operations of the centre will be caused whilst works are completed. Final commissioning of the new system will be managed directly between the Council, professional team and ALL, and it is expected this will take place out of opening hours if possible or, at worst, outside of peak times to keep further disruption to a minimum.

#### Financial Implications

- 3.19 Outlined in the RIBA stage 4 'cost certainty' report issued to the Council, the cost to complete the project has been confirmed at a total of £672,750.07, with a grant funding contribution of £587,884 secured towards this from Sport England. This position leaves a total funding shortfall of £84,886, with a further £10k is required for roofing works, and it is projected that the 4 week swimming pool closure will amount to a £40k loss of revenue for ALL. This means the total financial impact of delivering this project to the Council is c.£135k.
- 3.20 As the current air handling unit is failing and needs to be replaced, the additional cost of this aspect of the project of £84,886 would otherwise have needed to be funded by the Council. Replacing the air handling unit in isolation would cost considerably more than this amount but it is being offset by the external funding secured for the same purpose. Similarly, repairs to roof coverings is also the responsibility of the Council, therefore a cost that would



have to be covered regardless of whether the wider energy project was being proposed or not.

- 3.21 Given the significant level of external funding being secured to deliver this project, and the liability held by the Council for funding the replacement of the failing air handling unit and roof repairs, it is recommended that the project proceeds as outlined and that the shortfall of funding is met from identified budget.
- 3.22 Should approval be given for the project to proceed, a project team will be established to oversee its progress against the timescales previously identified and associated spend profile. The project will report to the Transformation Board which involves respective Heads of Service, Executive Directors and Chief Executive. Officers will also manage the draw down of Sport England funding to ensure criteria within the funding agreement is achieved.

#### **4. How this report links to Corporate Priorities**

- 4.1 Delivering the projects as outlined will contribute towards the following corporate priority:

Aim 1: Supporting our communities to create a healthier, safer, cleaner High Peak, by creating leisure opportunities focussed on improving health and physical activity and improving the environment via reduced carbon emissions.

#### **5. Alternative Options**

- 5.1 The options summarised in this report and recommended for public consultation reflect the two viable options that exist for making capital investment into the centre. The no investment option is also included.
- 5.2 The option to invest in the energy efficiency project as outlined contributes towards the Council's climate change priorities and after securing significant external funding.

#### **6. Implications**

##### **6.1 Community Safety - (Crime and Disorder Act 1998)**

Involving people in physical activity, particularly young people, is proven to have wider positive benefits such as reducing crime and antisocial behaviour.

##### **6.2 Workforce**

At this stage the proposal to consult over potential future investment options does not directly affect the workforce in a significant way. The process will be managed within the existing resources of the leisure team, supported by the Council's communication team.

There is a 4 week closure to MyActive New Mills highlighted as part of the energy project. This will impact on staffing rotas of ALL but it is not envisaged at this stage there will be a material impact on employment contracts.

### 6.3 Equality and Diversity/Equality Impact Assessment

An EIA will be completed once a future investment option is further developed following this consultation exercise.

An EIA is not required for the energy project.

### 6.4 Financial Considerations

In respect of the energy project, financial considerations are outlined in section 8 the report and result in a position whereby a funding contribution of £135k is required by the Council to deliver the project as outlined. £95k of this amount is towards capital items which the Council is responsible for under its obligations as landlord and will be met from capital budgets, further funding will be met from Leisure Transformation reserves.

### 6.5 Legal

There is no specific legal duty to consult on the proposed investment options, however, the Council believes it is good practice to do so and will follow the approach outlined in the report in respect of this.

Should the recommendation relating to the energy project be approved, the Council would enter a delivery management agreement (DMA) with Alliance Leisure Services Limited for delivery of the project as outlined in report, via the UK Leisure Framework which is compliant in terms of procurement legislation.

### 6.6 Climate Change

The energy project will contribute significantly to the Council's climate change objectives. Installation of PV panels will enable the centre to generate its own clean energy, reducing its reliance on the use of the grid/fossil fuels.

### 6.7 Consultation

Consultation regarding potential future investment options for MyActive New Mills will be delivered as set out in section 7.24 of the report. This approach has been agreed by the Executive previously.

## 6.8 Risk Assessment

A project risk register will be developed, agreed and managed by the professional team responsible for the energy project. Key risks will be reflected in Transformation Board documentation.

Mark Trillo

### **Executive Director (Governance & Regulatory)**

#### **Web Links and**

#### **Background Papers**

[Move More High Peak Strategy](#)

[Sport England – The Future of Public Leisure Report](#)

Sport England Swimming Pool Support Fund RIBA 4 Report

#### **Contact details**

Robert Wilks

Head of Leisure and Environmental Services

Robert.wilks@highpeak.gov.uk

## 7. **Detail**

### Background

- 7.1 The Council has completed a review of its leisure service, identifying opportunities to engage a wider range of people by making strategic investments into its leisure facilities and by changing its operating model to reflect a more local level of leadership and management.
- 7.2 On 1<sup>st</sup> October 2024 a new council controlled company, Alliance Leisure Limited (ALL) took over the operational management of its leisure facilities and services from the previous operator, Parkwood Leisure. ALL was established to provide a more localised service to residents, to better meet local needs and to focus on wider health and wellbeing priorities, including contributing more significantly to reducing health inequalities.
- 7.3 Move More High Peak is a shared, 10-year strategy for movement, which the Council, alongside a range of partners developed collaboratively in 2023. The strategy recognises that change is required if, collectively, we are to increase participation and help reduce inequalities. The Strategy identifies several priorities with an overarching principle that resources are focused on the people and places that need most support. For our leisure facilities, this means transitioning away from a traditional offer, to become more engaging for a wider proportion of people. To achieve this, the way the Council invests in its facilities needs aligning to this approach.
- 7.4 Influencing this direction of travel under the Move More High Peak Strategy, Sport England published a report titled 'The Future of Public Leisure' in December 2022 which outlines a new vision for public leisure facilities, with them transitioning to become more focussed on active wellbeing.
- 7.5 Active wellbeing is a phrase that is now commonly used in the local authority/public leisure sector, which describes a shift towards closer relationships, collaboration and services being developed with health and care systems. Co-location of services, expansion of health pathways to centrally involve movement, and the delivery of preventative activity are highlighted as

the key opportunity areas for expansion, particularly given the deepening of health inequalities/conditions because of the pandemic.

- 7.6 Whilst it is recognised that maintaining the sporting habit of people already active is important, there is greater societal benefit by engaging those not active. A conscious decision to change the focus for some of the facilities and services currently provided in our leisure centres is challenging, but unless these difficult decisions are taken, our facilities will remain assets that predominantly service those already active and less of those people who need most support.
- 7.8 On 30<sup>th</sup> November 2023, the Executive received a report setting out a proposed investment option for MyActive New Mills (formerly New Mills Leisure Centre). Having scrutinised the option it was requested that a process of further local engagement takes place, particularly with those groups/clubs potentially affected by changes that were proposed to the sports hall and squash court at the leisure centre. Executive Councillors also requested that alternative options be explored, with a view to sharing these for wider public consultation at an agreed time in the future.
- 7.9 Over the course of the months that followed, engagement with potentially affected user groups and work with the Council's professional team of architects and contractors took place. During this time the opportunity to bid for Sport England funding to improve the green credentials of the leisure centre also emerged and the Council was successfully awarded £587,884 in grant funding. The proposed next steps relating to this project are detailed in section 8 of this report.
- 7.10 Following the work completed by our professional team, a second potential option for investment into MyActive New Mills has been developed. The latest design takes on board, where possible, the feedback provided via the previous engagement activity.
- 7.11 Both options propose some level of change to the existing facilities and services within MyActive New Mills. These are principally due to the need to expand and refocus our facilities within the existing building footprint and to align better with our long term vision as summarised previously in this report. If either investment option is taken forwards after public consultation is complete, there will be some impact on groups or individuals having to continue their sport either in different formats or at other facilities which still offer these facilities.

#### Squash Court Removal

- 7.12 Both investment plans propose to repurpose the remaining squash court into either a fitness gym extension (option 1) or community wellness suite (option 2). For both options it is considered that the space can be better utilised to engage more people on a regular basis than by retaining its use as a squash court and that the proposed activities replacing it would generate greater revenue, which would contribute to improving the financial sustainability of the centre.

7.13 Insight gathered during the 23/24 financial year to help inform the proposal to repurpose the remaining squash court is outlined below:

- The squash court is only used for 33 hours of the 80 hours available during peak season but traditionally has lower use during the months of May, June and July.
- Information provided as to use by the Council's previous operator before the transfer to ALL confirmed that there were approximately 90 unique users of the squash court registered.
- The profile of these users (further details below) is a mix of regular players (including the squash club) and casual bookings. Children's sessions attract an average 5-8 players per week.

Age Profile	Percentage		
0-15	8.79%		
16-24	4.89%		
25-34	20.85%		
35-44	30.62%	<b>Gender</b>	<b>% of bookings</b>
45-54	22.48%	Male	71%
55+	12.38%	Female	29%

- Since 2015, income has never exceeded c.£9,500 pa despite price increases each year, which equates to approximately 1% of total turnover of the centre and is under the national benchmark average for income generated by a squash court.
- Squash courts are difficult to use for alternative activities and this is evidenced by the court only being used for 33/80 hours per week. Issues with the overall environment, basic décor, heating & acoustics all contribute to this position, which discounts any option to use the space to deliver different activities and increase income to a reasonable level for the size of the space.
- Should the squash court be repurposed, it is envisaged that neighbouring squash courts/facilities in Marple, Hyde and Glossop could help to retain a proportion of participation. Whilst it is anticipated that some squash participation may stop, this would be counterbalanced significantly by the increase in participation generated by the additional facilities provided in both options.

#### Sports Hall Reduction

7.14 Option 1 detailed below proposes to reduce the size of the sports hall by the equivalent of one badminton court in size and convert it into a ground floor gym extension and first floor group exercise studio.

- 7.15 The sports hall programme is almost full, with school bookings taking place between 9.00 - 16.00 on weekdays and community use in the evenings until the building closes. During community use time, the hall is used for approximately 13 hours of group exercise classes. This is due to the centre not having a suitably sized studio which can cater for a capacity of 25-30 people. This size of studio would be commonplace in any new/modern leisure centre.
- 7.16 The impact of the centre not having a studio of this size, with classes taking place in the sports hall instead, is that this prevents the number and variety of activities/club sessions to grow, stifling participation. From engagement completed with several clubs regarding the proposal officers are aware that their expansion is needed, but this is not currently possible due to lack of free slots for use.
- 7.17 Development of a new, dedicated group exercise studio, that could accommodate 25-30 people per class, would bring a new dimension to the centre, enabling a wider range of classes to be delivered that would attract different ability and demographic groups. A studio of this type would be able to accommodate approximately 40 classes per week, nearly doubling the levels of participation in classes per week.
- 7.18 Engagement completed earlier this year regarding the initial proposal highlighted areas where certain sports/groups could be negatively affected. Representatives from New Mills Secondary School registered concerns that a reduction in space would affect the ability to hold competitive fixtures in badminton and 5-a-side football. It was also highlighted that curriculum PE and some primary school sport competitions could not take place in the same way.
- 7.19 It has also been highlighted that sports, including indoor cricket, 5-a-side football and basketball, would not be able to play competitive fixtures on a 3 court sports hall and would need to be played elsewhere. In their place, informal forms of these games could still be played at a recreational level.

#### Principles for Investment

- 7.20 In order for the Council to make any kind of substantial investment into MyActive New Mills, several principles for any proposed development option must be followed, which are summarised below:
- Meets the strategic priorities of the Council.
  - Address identified latent demand/shortfalls in facility provision locally.
  - Be deliverable and financially viable, with the improvements funded generating sufficient additional participation and corresponding revenue growth to pay back the respective level of borrowing.
  - To support the long term financial sustainability of the centre. i.e. to reduce the ongoing level of subsidy provided by the Council towards operating the centre over the next 10 years.

### Investment Option 1

7.21 In December 2023, the Executive reviewed a proposal for the Council to make a £2.488m capital investment into MyActive New Mills. This proposal included:

- Conversion of the existing 4 court sports hall into a 3 court sports hall.
- Construction of a mezzanine floor in the space of a single court to contain an extension to the existing fitness suite on the ground floor and a large group exercise studio on the first floor, connected by a staircase and new platform lift.
- Convert the existing squash court into a 'community wellness suite', to create a dedicated space aimed at people who may be new to exercise, or suffering with long term health conditions, and an expansion to the exercise by referral scheme.
- Reconfigure office space and existing room used for group cycling into a larger, dedicated group cycling facility.
- Refurbish the reception area with new counter and install a grab and go food and beverage offering.
- Refurbish the pool viewing area to provide an inviting social space with cold and hot vending options.





7.22 Further to the engagement process officers coordinated earlier this year, a further design option has been developed, details of which are outlined below for consideration. This proposal has been costed at £3.67m but is still subject to a RIBA 4 design process, which would cost a further £240k.

7.23 This proposal includes:

Investment Option 2

- Retention of the existing 4 court sports hall.
- Convert the existing squash court and female dry changing room to form an extended fitness gym.
- Construction of a mezzanine floor in the space above the squash court and part of the existing gym to create a large group exercise studio on the first floor, connected by a staircase and platform lift.
- Convert the existing group exercise studio into a Community Wellness Suite aimed at people who may be new to exercise, or suffering with long term health conditions, and an expansion to the exercise by referral scheme.
- Refurbish the existing space used for group cycling to create dedicated, immersive space with an increased range of classes, modern décor and the latest audio/visual technology.
- Refurbish the reception area with new counter and install a grab and go food and beverage offering.
- Refurbish the pool viewing area to provide an inviting social space with cold and hot vending options.





### Public Consultation

7.24 As previously agreed by the Executive, a period of public consultation will take place where the above investment options are released for comment. It is likely this process will commence on Friday 29<sup>th</sup> November, using the approach outlined below:

- 6 week consultation period.
- Microsite created outlining each investment option with corresponding 2D designs.
- Use of an online form, such as survey monkey, to gather feedback.
- Display boards at MyActive New Mills outlining potential investment options, including QR code to microsite and corresponding survey.
- Consultation 'drop in session' to be held in person at an appropriate local venue, such as New Mills Town Hall.
- Include a 'No Investment' option.

7.25 Once the period of consultation has ended, results will be analysed and an Executive report developed for review before the end of March 2025, including recommendations as to how the project could proceed.

7.26 Squash courts at MyActive Glossop are currently closed pending a structural report, including recommendations as to what remedial works may need to be completed. As part of continuing with this consultation process, it is recommended to suspend making any final decision following the consultation exercise until the outcome of surveys and the future of the squash courts at MyActive Glossop are known.

## **8.0 Sport England Swimming Pool Support Fund (SPSF)**

### *Project background and scope*

8.1 The Council was successful with an application to the Sport England Swimming Pool Support Fund for £587,884 to complete energy efficiency works at MyActive New Mills. The scope of the funding secured covers works including:

- Replacement of the existing air handling unit that is reaching the end of its life.
- Adding heat recovery capabilities to the new air handling unit.
- Installation of photovoltaic (PV) panels across the roof of the building in several locations where they will perform most effectively.

8.2 A summary of this project has been provided to the Community Select Committee previously and subsequently approved by the Executive, however, at that time, specific detail regarding the condition of the existing flat roof where the new air handling unit is proposed to be located was unknown.

8.3 A recent assessment of the roof by an appropriately qualified specialist contractor has confirmed that, aside from a small number of areas showing early signs of water egress, the overall covering is in reasonable condition and has a good amount of life remaining (approximately 5 years).

8.4 It is therefore recommended that the existing roof covering remains in situ and that repairs to the value of £10k are completed. To assist with the future replacement of the roof covering, the air handling unit structure and fixing points will be manufactured to give sufficient clearance between the underside of the unit and roof finish.

8.5 Following assessment of the roof, there is now sufficient confidence that the project can proceed. To engage contractors and relevant supply chain to meet the spend deadline of 31<sup>st</sup> March 2025 stipulated by the grant agreement with Sport England, officers have identified a compliant procurement framework to help expediate this project, subject to receiving the necessary approvals.

8.6 The UK Leisure Framework, managed by Alliance Leisure Services Limited, has been accessed previously by the Council's strategic alliance partner Staffordshire Moorlands District Council, and is the proposed framework to use to deliver this project, including the professional team listed below:

- Delivery Partner: Alliance Leisure Services Limited

- Project Manager: Abacus Cost and Project Management
- Principal Contractor: Hensall

### Delivery Programme

- 8.7 It is projected that the construction phase of the project will take approximately 19 weeks to complete, in addition to a further 14 weeks prior to this to progress through the respective planning process for the PV panels and air handling unit. During the 19 week construction phase, it is expected that a closure of the swimming pool for 4 weeks will be required to enable contractors to replace the pool hall ventilation system located directly above the pool. Contractors have confirmed these works will require the use of a scaffold tower erected over the pool.
- 8.8 The Council's new health and wellbeing company, Alliance Leisure Limited (ALL) are responsible for operating the centre and have forecast that a 4 week closure of the swimming pool will result in a loss of income of approximately £40k. This impact would be reported to the Council and an adjustment made to the monthly service charge paid to ALL from the Council.
- 8.9 It is not anticipated that any other significant disruption to the internal operations of the centre will be caused whilst works are completed. Final commissioning of the new system will be managed directly between the Council, professional team and ALL, and it is expected that this will take place out of opening hours if possible or, at worst, outside of peak times to keep further disruption to a minimum.

### Financial Implications

- 8.10 Outlined in the RIBA stage 4 'cost certainty' report issued to the Council, the cost to complete the project has been confirmed at a total of £672,750.07, with a grant funding contribution of £587,884 secured towards this from Sport England. This position leaves a total funding shortfall of £84,886, with a further £10k required for roofing works and it is further projected that the 4 week swimming pool closure will amount to a £40k loss of revenue for ALL. This means the total financial impact of delivering this project to the Council is c.£135k.
- 8.11 As the current air handling unit is failing and needs to be replaced, the additional cost of this aspect of the project of £84,886 would have otherwise had to have been funded by the Council. Replacing the air handling unit in isolation would cost considerably more than this amount but it is being offset by the external funding secured for the same purpose. Similarly, repairs to roof coverings is also the responsibility of the Council, therefore this cost would have to be covered regardless of whether the wider energy project was being proposed or not.
- 8.12 Given the significant level of external funding being secured to deliver this project, and the liability held by the Council for funding replacement of the failing air handling unit and roof repairs, it is recommended that the project

proceeds as outlined and that the shortfall of funding is met from identified budget.

- 8.13 Should approval be given for the project to proceed, a project team will be established to oversee its progress against the timescales previously identified and associated spend profile. The project will report to the Transformation Board which involves respective Heads of Service, Executive Directors and the Chief Executive. Officers will also manage the draw down of Sport England funding to ensure criteria within the funding agreement is achieved.