

**Teignbridge District Council  
Overview and Scrutiny (2)  
Meeting date: 10-Jan-2023.  
Part i / ii**

## **Leisure centre refurbishment proposals – update.**

### **Purpose of Report**

To update the Committee on the previous work streams that brought the proposals forward and identify the impacts to the programme of works to explain the current situation.

### **Recommendation(s)**

The Committee is recommended to note the report and work undertaken.

### **Financial Implications**

There are no specific financial implications requiring approval. Further works as detailed will require appropriate business cases and capital financing. See 2.1 below.

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### **Legal Implications**

There are no specific legal implications arising from this update report.

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### **Risk Assessment**

Various consideration to be made aware of and take into consideration if the project progresses more formally. See 2.3 below.

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### **Environmental/ Climate Change Implications**

Various climate change work has been carried out as detailed below with proposals

for further decarbonisation works at Broadmeadow sports centre. See section 1 and 2.4.

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## **Executive Member**

Cllr. John Nutley.

## **Appendices/Background Papers**

- Appendix 1 – Demand assessment overview
- Appendix 2 – Facility priorities
- Appendix 3 – Financial projections from consultant's feasibility report
- Appendix 4 – Dawlish Leisure Centre, concept drawing
- Appendix 5 – Broadmeadow Sports Centre, concept drawing
- Appendix 6 – Photos from the 2022 leisure decarbonisation developments

## **1. Introduction/Background**

To support a review of the Local Plan, a Leisure Needs Assessment was previously commissioned (externally), with a subsequent report submitted in April 2016 to inform the strategic planning of indoor and built leisure provision that would ensure provisions are fit for the future. Another (external) consultant's feasibility report was commissioned that assessed leisure demand analysis, facility options, financial projections, development and management options, that informed a suitable way forward. Outline RIBA Stage 1 development proposals were then submitted in December 2017. Key snapshot findings are included in the appendices, as listed above. Throughout this period, meetings were held with Officers and Councillors to present the information in detail and inform discussions.

The arising recommendations were supported and moved in to the 'Out & About & Active' Teignbridge Ten programme, namely, to refurbish the Broadmeadow and

Committee  
Date of meeting

Dawlish Leisure Centre's. A site search for relocating the Newton Abbot Leisure Centre would be considered in parallel and as part of the town centre development planning. A capital meeting was planned for 24-May-2020 to progress with site surveys, detailed building designs, and to initiate community engagement activities. However, the Covid lockdowns were announced on the Friday before (20-May-2020). Subsequently, Leisure was closed, then part-opened, closed, opened again on phased programming due to Covid restrictions. Since the lifting of Covid restrictions, the decarbonisation investment programmes for Broadmeadow, Newton Abbot and the Lido have impacted facility opening schedules.

Broadmeadow is also currently the subject of a further (current) decarbonisation bid assessment, that includes fabric improvements, insulation, and installation of an air source heat pump. A grant application has been made. The project will be subject to due diligence and a business case, with a report being brought forward in due course.

The leisure centre refurbishment proposals are still much needed to bring the facilities to a suitable standard and meet the future needs of our communities. The lack of investment in the facilities are contributing towards already ageing stock. The facilities are all in need of cosmetic investment now, let alone the infrastructure developments to provide facilities fit for the future.

The leisure demand analysis (appendix 1) identified that the facilities are needing investment, particularly to enhance the water-based activity provision. Key facility priorities were developed for each site (appendix 2). The investments would also have the potential to return a profit to the Council (appendix 3). Outline concept drawings (appendices 4 & 5) were also prepared, but more detailed designs were set to be explored at the next stage meeting, as described above, impacted by the lockdown. Each of the above information sets were compiled between 2016-2018 so would now need to be refreshed. However, the core principles remain unchanged.

The business cases were built on 'return on investment' yet the current operating position has been lower than pre-covid, so the current focus is to return the business performance levels.

The organisational review (Modern 25) is underway in consideration of the Council's budget challenges and pressure on capital investments. Strategic decisions and investments will need to be prioritised amongst the wider organisational considerations.

## **2. Implications, Risk Management and Climate Change Impact**

### **2.1 Financial**

Any further capital investment will require a full business case to be worked up alongside the requisite funding and consideration of the Modern 25 agenda and Council priorities. There are provisions in the capital programme as part of the budget proposals, aside from the decarbonisation bid for Broadmeadow outlined earlier, these are mainly outdoor play areas.

Lack of investment is resulting in increased maintenance costs of aging facilities. Newer facilities and equipment would provide more operating efficiency from lowered energy consumption and through lowered maintenance costs.

### **2.2 Legal**

There are no specific legal implications arising from the details contained within this report.

### **2.3 Risks**

Financial modelling will need updating (prepared 2018) to factor in increases to build costs. There is potential for costs to be off-set through grants, such as Sport England facility grants, subject to availability and eligibility.

With covid and then the decarbonisation programme, we have seen that disruptions to service take time to rebuild the business. We need to be careful about planning the works to avoid repeatedly closing facilities

and, for example, assess the potential to complete additional decarbonisation works with a wider refurbishment programme.

Lack of investment to date means we are offering a poor standard of facility to our residents and other competitors perhaps benefit from that. Social value was a key consideration of the review of Leisure, indicating the increased costs to the NHS, impact on primary schools, and impact on dual use partners if facilities were unavailable for residents as well as other health, wellbeing, social and crime indicators that are off-set with active lifestyles and communities.

The demand analysis would need to be refreshed to provide updated information to inform the facility design priorities.

## **2.4 Environmental/Climate Change Impact**

We have bid for £310,000 more national grant funding to deliver a second phase of works at Broadmeadow by replacing its gas fired heating boilers with air source heat pumps.

The addition of Solar PV, LED lighting, battery energy storage and an insulated sports hall roof at Broadmeadow has been so successful that in the first six months of operations, the new systems have directly supplied 57% of the centre's electricity demand, whilst the new storage battery supplied a further 6% through absorbing surplus off-peak generation. Some pictures of the works included in appendix 6.

Overall just 37% of the centre's electricity demand was supplied from the grid and at a time when leisure centres across the country are struggling to stay open, the £6,800 reduction in our electricity bill for the same period was welcome.

We expect to make similar energy savings at Newton Abbot Leisure Centre and the Lido. Although we have almost completed the installation at Newton Abbot, we will not be able to switch the new equipment on and use the new air source heat pumps until next year when a new connection is made to the national grid.

With the rising energy costs, the council anticipates that the new systems will save it up to £100,000 in a full year.

Any additional investments to improve the operating of the facilities will support more efficiency measures.

### **3. Alternative Options**

Consider new properties to add to the delivery portfolio, such as implementing new gym units, to help meet user demands and generate revenue to support the viability of the services.

### **4. Conclusion**

Pre covid, good progress had been achieved towards the review of leisure provision. The impact of covid closures and phased return(s) has impacted the business performance, coupled with facility disruptions to accommodate the decarbonisation developments. The wider Modern 25 programme will inform the Strategic priorities and budget pressures, but Leisure retains the potential to afford healthy lifestyle choices to residents, schools and local clubs as well as return a profit to the Council.

## Appendix 1 – demand assessment

The slide below was from the feasibility report, identifying the un-met demand for leisure services.

# Demand Assessment

- Significant Under Supply of Pools
  - Shortfall of 3.5 lanes of pool space
- Sports Hall – small oversupply of Hall space
  - Used for fitness – lack of studio space
  - Excludes 5 court hall in Teignmouth Community School
- Health & Fitness – Latent Demand (Members)

Facility	Existing	Future	Additional	Stations
Dawlish	580	811	231	30 - 35
<u>Broadmeadow</u>	930	1,113	183	45 - 50
Newton Abbot	2,210	2,564	354	100 - 110



## Appendix 2 – Facility Priorities

Key developments by site that were identified.

# Facility Priorities

Newton Abbot LC	<u>Broadmeadow SC</u>	Dawlish LC
<ul style="list-style-type: none"> <li>• 8 lane 25 metre pool</li> <li>• Learner Pool &amp; Splash Area</li> <li>• Fitness Gym (100 stations)</li> <li>• Fitness Studio (x2 + spin)</li> <li>• Sports Hall (4 court)</li> <li>• Café/Vending</li> <li>• Changing and reception</li> <li>• Option to exclude Sports Hall</li> </ul>	<ul style="list-style-type: none"> <li>• Create additional fitness gym space – circa 45-50 stations</li> <li>• Possible soft play investment in Sports Hall</li> </ul>	<ul style="list-style-type: none"> <li>• Utilise 2 Badminton Courts</li> <li>• Studio Space</li> <li>• Create fitness gym – 35-40 stations</li> <li>• Learner Pool</li> </ul>

### Appendix 3 – Financial Projections

Indicative financial projection demonstrating a significant budget swing and £234k annual surplus generated for the Council, taken from the feasibility report.

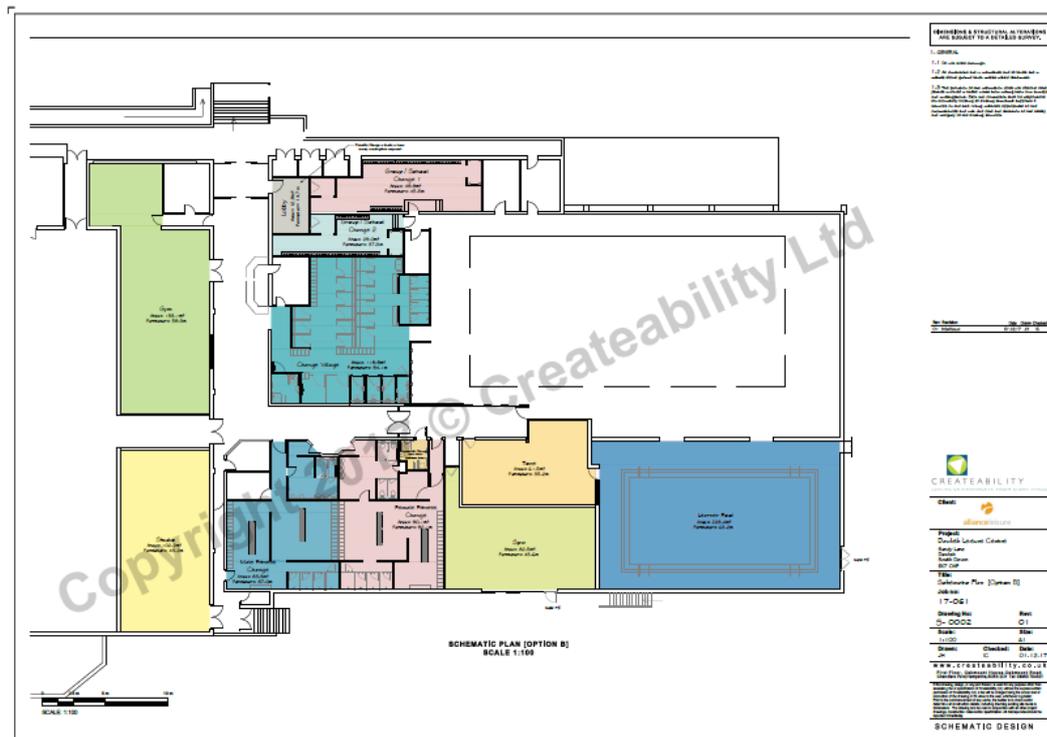
## Indicative Financial Implications

£'000's	NALC	BSC	DLC	Total
Existing (Cost)/Income	(49)	(95)	(217)	(361)
<b>Future Revenue (20 yr Average)</b>				
Income	1,902	550	739	3,191
Expenditure	1,614	528	814	2,956
Net (Cost)/Income	288	22	(75)	234
<b>Savings on Existing (per annum)</b>	<b>337</b>	<b>117</b>	<b>142</b>	<b>596</b>
<b>Potential Capital Funded (£'million)</b>	<b>5.61</b>	<b>1.95</b>	<b>2.37</b>	<b>9.93</b>

- Future savings are based on 20 year average
- Potential Capital funded is based on prudential borrowing at circa £60k per £1 million per annum (25 years)



### Appendix 4 – Dawlish LC concept drawing



Committee  
Date of meeting



Broadmeadow sports centre:



Newton Abbot leisure centre air source heat pump installation:



Committee  
Date of meeting