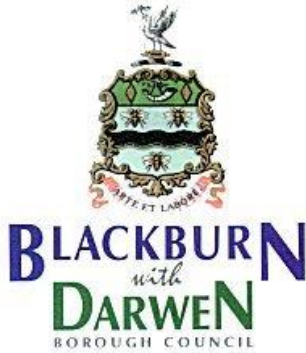


EXECUTIVE BOARD DECISION



REPORT OF:	Executive Member for Leisure Culture and Young People
LEAD OFFICERS:	Director of Environment and Leisure
DATE:	14 December 2017

PORTFOLIO/S AFFECTED:	Leisure Culture and Young People
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WARD/S AFFECTED:	All
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KEY DECISION:	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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SUBJECT: Update on Leisure Review
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1. EXECUTIVE SUMMARY

In 2012/13, the Leisure, Culture and Young People's portfolio undertook a Leisure review with support from Sport England. The review resulted in the Council approving the building of Witton Park Arena and Blackburn Leisure Centre which replaced the ageing and dilapidated facilities at Waves Water Fun Centre.

In 2015 and 2016, in the face of continuing and severe cuts in funding from central government, the portfolio held public meetings to discuss the future operational management of Audley Sports Centre, Daisyfield Pools and Shadsworth Leisure Centre. Following consultation processes, the Council subsequently transferred the operational management of the three Council owned leisure facilities to third party operators.

The alternative management arrangements at Daisyfield Pools and Audley Sports Centre have progressed well; however the management arrangements at Shadsworth Leisure Centre are less well embedded. The Centurions swimming club are operating the swimming pool at Shadsworth Leisure Centre, however the Council has had to provide lifeguard cover for some swim sessions at considerable cost because the club have been unable to lifeguard all the swim sessions. The swimming club membership has not expanded as much as anticipated; as a result the club have been unable to pay the Council the agreed pool hire fee. The costs associated with operating Shadsworth Leisure Centre are not affordable within the cash limited budget for the Leisure, Culture and Young People's portfolio.

The purpose of the report is to update members of the progress made on the transfer of the management of the three leisure facilities.

2. RECOMMENDATIONS

That the Executive Board:

- Notes the report and the ongoing consultation processes outlined within the report.
- Notes that the outcome of the consultation will be reported back to the Executive Board on 11th January 2017 with a recommendation as to the future operation of Shadsworth Leisure Centre.

3. BACKGROUND

The Leisure, Culture and Young People's portfolio undertook a Leisure review with support from Sport England in 2012/13. The review resulted in the Council approving the building of Witton Park Arena at a cost of £2.6m which opened in March 2014 and Blackburn Leisure Centre which was built in partnership with Blackburn College at a cost of £13.5m and opened in April 2015 and replaced the ageing and dilapidated facilities at Waves Water Fun Centre.

These two leisure facilities coupled with Darwen Leisure Centre, which opened in 2010, are extremely popular and provide modern state of the art facilities for residents across the Borough. These three leisure facilities are responsible for generating the vast majority of the income and attendances across leisure services.

As part of the Council's efficiency savings, the portfolio had to consider the future operation of its other leisure facilities which were ageing, expensive to operate and unaffordable in the face of continuing and severe cuts in funding from central government.

In 2015 and 2016, public consultation meetings were organised to discuss the future management arrangements for Shadsworth Leisure Centre, Daisyfield Pools and Audley Sports Centre; the public meeting dates are listed below:

- Shadsworth Leisure Centre – 20 October 2015
- Daisyfield Pools – 22 October 2015
- Audley Sports Centre – 12 July 2016

In addition to the public meetings, adverts were placed locally and requested that organisations which were interested in managing and operating any of the three leisure facilities should contact the Council to declare their interest. The Council also organised customer and stakeholder surveys to be available at the three sites and provided PCs on site to enable people to complete the survey on line, along with paper copies at each site for customers who didn't wish to complete the survey on line.

Daisyfield Pools

Following the public consultation meeting regarding Daisyfield Pools, 'Half Fish' a local charitable organisation informed the Council of their interest in managing and operating Daisyfield Pools. As no other interest was declared via the public meeting and local adverts, the Council reached an agreement with Half Fish to operate Daisyfield Pools on a landlord / tenant basis, whereby Half Fish operate the facility and employ all the staff and the Council has responsibility for the building structure, the plant and the mechanical and electrical services.

Audley Sports Centre

Following the public consultation meeting at Audley Sports Centre, three organisations informed the Council that they were interested in managing and operating Audley Sports Centre. As a result of this interest, the Council formally tendered the contract to manage and operate the facility. Three tenders were received and following an evaluation process, the contract to manage and operate Audley Sports Centre was awarded to Jamia Ghosia Association on a 25 year full repairing lease.

Shadsworth Leisure Centre

Following the public consultation meeting at Shadsworth Leisure Centre, the Centurions swimming club informed the Council that they were interested in operating the swimming pool at the centre. The club submitted a proposal that they would have exclusive use of the pool but would allocate one lane for public swimming and they would life guard the pool to enable the Council to reduce staffing costs. The club also proposed to pay pool hire fees to the Council to cover pool operating costs. There was no other interest declared as a result of the public meeting and local adverts.

Unfortunately despite best endeavours, the Centurions swimming club experienced slower volunteer

uptake than they had anticipated and as a result, they have not recruited sufficient qualified lifeguards to supervise all the swim sessions. Therefore the Council has had to provide lifeguard cover at certain times during the week at a considerable cost. The club membership has grown in size but it has not expanded as much as the club has anticipated, accordingly the club are not collecting the subscription fees required to cover the agreed pool hire fee.

The main cost of operating Shadsworth Leisure Centre is as followed:

- Premises cost of £71,000 (£26,000 rates and £45,000 utilities)
- Salaries cost of £95,000 (£45,000 of which is pool related).

Shadsworth Leisure Centre is creating a budget pressure of £136,000 which cannot be managed by the portfolio. The income targets for the three main leisure centres has increased from £2,355m in 2015/16 to £2,918m in 2017/18 and whilst the three leisure centres are on target to achieve this targeted level of income, there is little scope to generate the additional income required to offset the budget pressure from Shadsworth Leisure Centre, for which there is no budget.

4. KEY ISSUES & RISKS

- As part of the Council's efficiency savings, the Leisure, Culture and Young People's portfolio had to consider the future of its other leisure facilities which were ageing, expensive to operate and unaffordable in the face of continuing and severe cuts in funding from central government.
- In 2015 and 2016, public consultation via surveys and meetings were organised to discuss the future management arrangements for Daisyfield Pools, Shadsworth Leisure Centre and Audley Sports Centre.
- The portfolio was able to transfer the management of Audley Sports Centre and Daisyfield Pools to other organisations and as a result, the Council no longer employs any staff within these two buildings.
- The Centurions swimming club was the only organisation to declare any interest in Shadsworth Leisure Centre and their interest was focused solely on the swimming pool, not the dry side facilities. The Centurions swimming club have exclusive use of the pool but have allocated one lane of the pool for casual swimming alongside their swim squad training sessions. However, public swimming has reduced to the point where there are only six casual swimmers using the pool on a regular basis. The club has insufficient lifeguards to supervise all the swim sessions so the Council is still providing some lifeguard cover to ensure the safety of swimmers at a considerable cost.
- Shadsworth Leisure Centre is creating a budget pressure of £136,000 in 2017/18 which is unaffordable and cannot be managed by the portfolio.
- It is feasible to relocate the Centurions swimming club and the casual swimmers to other pools in the Borough. The swimming club could relocate to Daisyfield Pools as the pool is currently open just 16 hours a week and has capacity to accommodate the majority of the club swimming sessions. The relocation of the club to Daisyfield Pools would also provide additional income for the pool operator. The casual swimmers could relocate to any of the other three council owned pools within the Borough.
- The Council has embarked on a consultation process to elicit feedback and views from users and non-users of the swimming pool. The Council has met with the Centurions swimming club on 3 occasions. The consultation process also included hosting an open public meeting on Tuesday 5th December 2017 and making available a customer questionnaire from 27 November 2017 to 24 December 2017 to enable users and non-users to provide feedback and make suggestions about the future operation of the swimming pool. The consultation process

will assist the Council to identify if there are any organisations or groups who wish to consider operating the swimming pool at no cost to the Council.

- If no other organisations show any interest in operating the swimming pool as a result of the consultation process, or no alternative proposals are submitted which enables the Council to operate the swimming pool at no cost, one of the options available to the Council is to close the swimming pool and relocate the swimming club and casual swimmers to alternative council owned pools within the Borough.

5. POLICY IMPLICATIONS

The Sport England facilities planning model which was completed in 2012 demonstrated that the Borough had an over-provision of swimming pool facilities. If the swimming pool at Shadsworth Leisure Centre was to close it would reduce swimming pool provision in the Borough, but there would still be sufficient swimming pool facilities for the residents of the Borough as highlighted by Sport England in the facilities planning model for pool provision (2 swimming pools in Blackburn and 1 pool in Darwen).

6. FINANCIAL IMPLICATIONS

The cost of operating Shadsworth Leisure Centre in 2017/18 is estimated to be £136,000. The main costs are detailed in the table below:

SHADSWORTH LEISURE CENTRE	
EXPENDITURE	
Premises related	81,000
Salaries	90,000
Supplies and services	9,000
Total costs	180,000
INCOME	
Income from swimming pool charges	16,000
Income from dry side facilities	38,000
Total income	54,000
NET OPERATING COST 2016/17	136,000
Estimated savings from pool related salaries	48,000
Estimated savings from rates and utilities	50,000
Estimated savings from supplies and services	4,000
TOTAL SAVINGS FROM POOL CLOSURE	102,000

If the swimming pool at Shadsworth Leisure Centre was to close, it would save the Council circa £102,000 pa in utility costs, staff costs and rates. The staff currently employed to lifeguard the swimming pool could be redeployed to other vacant posts within the portfolio so there would be no redundancies as a result of the pool closure.

A small number of staff would be employed to supervise the use of the dry side facilities including the sports hall, squash court, school gym and dance studio. The income from the dry side facilities would offset the staffing costs. There would be some costs associated with rates and utilities but these would be significantly reduced if the swimming pool was closed.

7. LEGAL IMPLICATIONS

In 2015 and 2016, the Council embarked on consultation processes with regards to the future management and operation of Daisyfield Pools, Shadsworth Leisure Centre and Audley Sports Centre. The consultation processes included hosting public meetings and making available a customer and stakeholder questionnaire to enable customers and stakeholder to provide feedback and make suggestions about the future operation of the three sites.

The Council has secured alternative management arrangements for Audley Leisure Centre and Daisyfield Pools which remain in place to date. Unfortunately, the alternative management arrangements for the swimming pool at Shadsworth Leisure Centre have not progressed as planned and as a result, the Council has had to fund significant operating costs for which it has no budget.

As the previous consultation processes were undertaken in 2015 and 2016, the Council has entered into a further consultation process with regards to the future operation of the swimming pool at Shadsworth Leisure Centre.

The consultation process has included hosting an open public meeting on Tuesday 5th December 2017 and making available a customer questionnaire from 27th November 2017 to 24th December 2017 to enable users and non-users to provide feedback and make suggestions about the future operation of the swimming pool.

The results of the consultation will be reported to the Executive Board meeting in January 2018 along with recommendations about the future operation of the swimming pool at Shadsworth Leisure Centre.

8. RESOURCE IMPLICATIONS

If there are no changes to the operation of Shadsworth Leisure Centre, the Council will have to allocate £136,000 to subsidise the operation of the centre.

If the pool was to transfer to an alternative organisation, it would transfer on the basis that the operator would not require any revenue support from the Council.

If the pool was to close, a small number of staff would be employed to supervise the use of the dry side facilities including the sports hall, squash court, school gym and dance studio. The income from the dry side facilities would offset the staffing costs. There would be some costs associated with rates and utilities but these would be reduced greatly.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

A full public consultation was carried out as part of the Leisure Review process in 2015 and 2016. This included public meetings for each of the three centres, survey questionnaires for customers, stakeholders and the general public and local adverts.

A further public consultation process is being carried out to determine the future operation of the swimming pool at Shadsworth Leisure Centre. The consultation process has included hosting a public meeting on Tuesday 5th December and making available a customer questionnaire from 27th November 2017 to 24th December 2017 to enable users and non-users to provide feedback and make suggestions about the future operation of the swimming pool. The consultation process will assist the Council to identify if there are any organisations or groups who wish to consider operating the swimming pool at no cost to the Council.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	4
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CONTACT OFFICER:	Martin Eden
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DATE:	5 December 2017
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BACKGROUND PAPER:	
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