



## Report to Finance Sub Committee

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**Report of:** Lisa Firth/Ryan Keyworth  
**Report to:** Finance Sub Committee  
**Date of Decision:** 6<sup>th</sup> September 2022  
**Subject:** Leisure Investment Update

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 981				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

### Purpose of Report:

To provide an update on the lifecycle maintenance work outlined in the Leisure Investment and Facility Review report, approved at Cooperative Executive in November 2021.

The report provides an update on the above work that has been carried out to date.

The report provides update on the planned work between now and 2024, including a breakdown of the required investment for each of the facilities and the planned work.

The report asks for committee approval to draw down the next tranche of funding to allow this planned work to proceed.

**Recommendations:**

It is recommended that the Finance Sub-Committee:

1. Approves the drawdown of funding to SCT for essential health and safety/maintenance and lifecycle improvements through to 2024 of up to £19.2m, to be funded as identified in the Leisure Facility Investment Review (LIFR) approved at the November 2021 Cooperative Executive.
2. Notes that a further report will be brought to a future Finance Sub Policy Committee meeting in relation to maintenance and lifecycle work at Upperthorpe Healthy Living Centre

**Background Papers:**

None

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Ryan Keyworth/ Chris Nicholson</i>
		Legal: Sarah Bennett
		Equalities & Consultation: Annemarie Johnston
		Climate: Victoria Penman
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>SLB member who approved submission:</b>	Ryan Keyworth
3	<b>Committee Chair consulted:</b>	Bryan Lodge
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Lisa Firth	<b>Job Title:</b> Director of Parks, Leisure and Libraries
	<b>Date:</b> 18/08/22	

## 1. PROPOSAL

1.1 In November 2021, the Co-operative Executive approved a report that included the provision of funding to support maintenance investment at the following facilities:

- a. Sheffield Arena
- b. Ponds Forge International Sports Centre
- c. English Institute of Sport Sheffield (EISS)
- d. Ice Sheffield
- e. Heeley Pool and Gym
- f. Beauchief Golf Course
- g. Birley Gold Course
- h. Tinsley Golf Course
- i. Sheffield City Hall
- j. Upperthorpe Healthy Living Centre – Managed by Zest

1.2 The Council is landlord for a wider portfolio of leisure and entertainment facilities across the city and not all sites are included in the investment proposals. The Graves Health and Leisure Centre, Thorncliffe Health and Leisure Centre and Wisewood Sport Centre are managed by Places Leisure under a commissioned model which includes responsibility for all maintenance obligations. King Edwards Swimming Pool and Stocksbridge Community Leisure Centre are leased to community organisations without financial support from the council in line with previous decisions taken by the Council's Cabinet.

### Investment Proposals

1.3 The Council's Capital Delivery Service has been working closely with Sheffield City Trust (SCT) to develop a programme of work to ensure that all essential maintenance and lifecycle replacement tasks are completed in readiness for SCT facilities transferring to a new operator in 2024.

1.4 Work has also been completed to identify the level of maintenance/lifecycle spend required at Upperthorpe Healthy Living Centre, unlike the SCT facilities this site will not transfer to a new operator in 2024. A further report on investment at this site will be brought to a future Finance Sub Policy Committee meeting.

1.5 It should be noted that the November 2021 Co-operative Executive report also endorsed plans to rebuild Springs Leisure Centre in 2024, Concord Leisure Centre in 2027 and Hillsborough Leisure Centre in 2030. Therefore, maintenance spend at these venues has been reviewed to ensure that only essential investments are included in the future programme of work. Spend at Hillsborough Leisure Centre is predominantly related to replacement pool plant and roof repairs, this works is essential to ensure the venue remains accessible until plans for a rebuild are progressed.

The Table below provides a high-level breakdown by venue of the timings and associated costs of maintenance spend planned up to August 2024. This includes the cost of work completed to date at each facility, the cost of work currently programmed to take place and the cost of the next phase of works that are planned take place prior to the handover of facilities to a new operator in 2024.

VENUE	Work Completed to Date	Current Planned Work	Next Phase of Works – Prior to 2024 Handover	Total
Arena	£2,460,428	£75,000	£2,914,000	£5,449,428
Beauchief Golf Course	£-	£239,000	£232,400	£471,400
Concord Sports Centre	£3,800	£-	£-	£3,800
ICE Sheffield	£248,525	£426,000	£580,000	£1,254,525
Ponds Forge	£2,342,908	£1,209,300	£1,756,000	£5,308,208
Hillsborough Leisure Centre	£79,234	£158,000	£1,670,000	£1,907,234
English Institute of Sport Sheffield	£22,703	£570,000	£860,000	£1,452,703
Springs Leisure Centre	£14,448	£-	£-	£14,448
City Hall	£978,198	£749,331	£138,000	£1,865,529
Heeley	£47,506	£75,000	£-	£122,506
Tinsley	£71,025	£40,000	£20,000	£131,025
Contingency 15%			£1,225,560	£1,225,560
<b>Total</b>	<b>£6,268,775</b>	<b>£3,541,631</b>	<b>£9,395,960</b>	<b>£19,206,336</b>

VENUE/Required Maintenance	Key areas of work recommended prior 2024
Arena £2,914,000	<ul style="list-style-type: none"> <li>• Replacement ice pad pipework.</li> <li>• Upgrade of obsolete electrical installations, this includes mains distribution boards and stage drape motors.</li> <li>• Upgrade to mechanical and heating installations</li> <li>• Upgrade of lighting installations and luminaires -. Emergency lighting upgrade required, old technology failing.</li> <li>• CCTV sequence controls.</li> <li>• Allowance to replace and upgrade current Public Address (PA) provisions.</li> <li>• Allowance for roofing repairs.</li> </ul>
Beauchief Golf Course £232,400	<ul style="list-style-type: none"> <li>• Emergency lighting provisions</li> <li>• Improved storage for plant and equipment.</li> <li>• Building Management System</li> </ul>

	<ul style="list-style-type: none"> <li>Locker replacement - Mixture of lockers, all in a poor condition, expensive to maintain. Require replacement.</li> </ul>
Concord Sports Centre	<ul style="list-style-type: none"> <li>Building to be rebuilt therefore no significant maintenance spend identified.</li> </ul>
ICE Sheffield £580,000	<ul style="list-style-type: none"> <li>Upgrade and replacement to ice plant.</li> <li>Replacement lockers</li> <li>Upgrade to Building Management System (BMS)</li> <li>Resurfacing of over spill car park</li> </ul>
Ponds Forge £1,756,000	<ul style="list-style-type: none"> <li>Replacement of heating and filtration to competition pool</li> <li>Upgrade of lighting to competition pool hall</li> <li>Upgrade to sprinkler system</li> <li>Replacement external windows, doors and cladding</li> <li>Replacement fire doors</li> <li>Lift replacement</li> <li>Upgrade PA system</li> <li>Mechanical and electrical upgrades</li> <li>Upgrade to diving pool floating floor mechanical installations</li> <li>General mechanical and electrical upgrades</li> </ul>
Hillsborough Leisure Centre £1,670,000	<ul style="list-style-type: none"> <li>Replacement of life expired pool plant</li> <li>Regrouting of pool areas</li> <li>Repairs to corrosion of steel frame</li> <li>roof repairs</li> <li>Replacement mechanical ventilation system in pool area</li> <li>Replacement of life expired lighting installations</li> </ul>
English Institute of Sport Sheffield £860,000	<ul style="list-style-type: none"> <li>Repairs to corrosion of steel frame</li> <li>Emergency lighting upgrade</li> <li>Sports lighting upgrade</li> <li>Replacement sports flooring</li> </ul>
Springs Leisure Centre	<ul style="list-style-type: none"> <li>Building to be rebuilt therefore no significant maintenance spend identified.</li> </ul>
City Hall £138,000	<ul style="list-style-type: none"> <li>Roof repairs</li> <li>Upgrade to Public Address (PA) system</li> <li>Lighting upgrades</li> </ul>
Heeley	<ul style="list-style-type: none"> <li>No significant spend identified</li> </ul>
Tinsley £20,000	<ul style="list-style-type: none"> <li>Building fabric repairs</li> </ul>

1.5 To progress the required works at Hillsborough Leisure Centre, Ponds Forge and the Arena it is highly likely that some areas of the facilities may need to be closed to safely undertake the works. Any closures will be planned well in advance to minimise disruption to income and use of the facilities.

## 2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 It is expected that investment into improved facilities will help to retain participation and usage of venues. Improved facilities will better meet customer expectations of a modern and welcoming leisure and entertainment offer. This will help encourage more people to be more active, more often contributing to our Public Health objectives and the City's Move More outcomes.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 A significant consultation exercise was carried out in December 2021/January 2022 which captured the views of over 2000 residents. This consultation has helped to shape a Sport and Leisure Strategy for the city and will help to inform future investment priorities for our sport and leisure estate.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### **4.1 Equality Implications**

- 4.1.1 The proposals identified within this report are expected to have positive equality of opportunity impacts as investment in facilities will help to keep facilities open and reduce barriers to participation.

#### **4.2 Financial and Commercial Implications**

- 4.2.1 Co-operative Executive has previously approved investments in Leisure facilities in excess of £100m over the life of the strategy.

This report provides an update on the schedule of works undertaken to date and proposed works on and lifecycle improvements through to 2024. It includes a contingency of to cover uncertainty over current construction prices and rising inflation and to allow for any unforeseen failures of plant or machinery prior to the SCT facilities handing over to a new operator. This will bring the total Programme of works with SCT to £19.2m and should ensure facilities are up to a reasonable standard prior to transfer to an new operator in 2024.

Funding for this work was identified in the previously approved Leisure Investment report considered by Co-operative Executive in November 2021. This report covers investment to 2024, a further programme of investment will be implemented from 2024 onwards, funding for this has been built into the financial model that supports the Leisure Investment and Facility Review.

- 4.2.2 It is proposed that the works at SCT properties continue to be undertaken on the existing basis whereby SCC officers work closely with SCT to manage the works through SCT's existing supply chain.

#### **4.3 Legal Implications**

- 4.3.1 The Council has the power under the Local Government Miscellaneous Provisions Act 1976 to provide recreational facilities inside or outside its area as it thinks fit including premises for the use of clubs or societies having athletic, social or recreational objects; staff, including instructors, in connection with any facilities and facilities by way of parking spaces and places at which food and drink may be bought from the authority or another person and the power to provide buildings, equipment, supplies and assistance of any kind.

#### 4.4 Climate Implications

- 4.4.1 This proposal will have positive climate implications, a number of the investments identified in this report will help to improve the carbon output of our venues, for example replacing obsolete Building Management Systems and replacing florescent lighting and luminaires with LED lighting systems.

Further work is in the process of being commissioned to identify opportunities to decarbonise our leisure buildings. This will help to shape how we progress development of the new builds for Springs, Concord and Hillsborough as well as identifying areas for further decarbonisation improvements at the other sport and leisure sites. A further report will be brought forward once this work has completed.

#### 4.4 Other Implications

- 4.4.1 The Local Government Association's Securing the Future of Public Sport and Leisure Services report, published in September 2021 in partnership with the Association for Public Service Excellence (APSE) and Chief Cultural and Leisure Officers Association (CLOA) evaluates the current state of public sport and leisure services and sets out recommendations to ensure the survival and development of the sector. The report confirms that investment in public sport and leisure facilities and services is key to levelling up the health of the nation, tackling health inequalities and supporting climate change targets. The report evidences that regular physical activity reduces the risk of serious illness and disease. With obesity rates forecast to cost £9.7 billion per year by 2050, the LGA report advises that delivery of low-cost facilities and social prescribing opportunities from councils is key in responding to this crisis, addressing health inequalities, and reducing the burden on the NHS and public health services.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

#### 5.1 Option 1 - Do nothing

This is not a realistic option because without investment facilities will continue to deteriorate and there is a significant risk that facilities would have to be closed.

#### Option 2 – Delay Investment to 2024

Investment could be delayed until the appointment of a new operator in 2024. This is not the preferred option because there is a risk that plant and equipment may fail prior to 2024 resulting in unplanned building closures and disruption to customers. It is also our preferred option to progress as much work as possible in advance of handing over facilities to a new operator to help support a smooth transition and mobilisation process.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 It is expected that investment into improved facilities will help to retain participation and usage of venues. Improved facilities will better meet customer expectations of a modern and welcoming leisure and entertainment offer.