

Report to Leisure Task & Finish Panel

Date of meeting: 18 May 2009

Portfolio: Leisure & Young People

Subject: Feasibility study on the construction of a new sports hall at the site of the Waltham Abbey Swimming Pool

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Committee Secretary: Adrian Hendry



Recommendation(s):

- (1) To note the receipt and content of the feasibility study of the construction of a new sports hall at the site of the Waltham Abbey Swimming Pool;**
- (2) To recommend to Overview & Scrutiny Committee and Cabinet that the proposals be further developed to enable:
 - (a) a planning pre-application submission to be made; and**
 - (b) subject to the satisfactory of the pre-application a full planning application to be made.****
- (3) That the proposal be progressed to the pre-planning application stage;**
- (4) That capital provision in the sum of £1.70 million be sought for the construction of the new sports hall; and**
- (5) That consideration be given to the time period between the cessation of the Joint Use Agreement with the Governors of King Harold School in January 2010 and the earliest likely date of opening of any new facility in the Spring of 2011.**

Background

1. At the last meeting of this Panel in November 2008, it was agreed to recommend to Cabinet that a feasibility study be undertaken into the construction of a new sports hall on the Waltham Abbey Swimming Pool site, to replace the facilities which might be lost due to the cessation of the joint use agreement between the Council and the governors of King Harold School, in respect of the Waltham Abbey Sports Centre.
2. This recommendation was endorsed by Cabinet at its meeting in November 2008 along with a recommendation to Council for the provision of a capital sum of £6,000 to undertake the feasibility.
3. Stace were appointed to carry out the feasibility with the following brief:
 - (i) undertake the feasibility but without intrusive investigations;
 - (ii) assess what surveys etc might be required to take a proposal to the planning application stage;
 - (iii) provide a high level budget estimate;
 - (iv) produce indicative sketch plans; and
 - (v) provide an indication of the fees required to bring a proposal to a conclusion
4. The core requirements for a new facility were identified as:
 - (i) a sports hall 35m by 17m (4 badminton courts);

- (ii) changing rooms;
- (iii) a creche area;
- (iv) a storage area for the sports hall;
- (v) reconfiguration of the existing reception area; and
- (vi) additional car parking

The feasibility study

5. The final feasibility study was received from Stace in March 2009, copies of which have been provided to Members of the Panel. The study has demonstrated that, in general terms and subject to planning consent and additional site investigations, such a development could be accommodated on the existing site, forming an integral part of the Waltham Abbey Swimming Pool complex. This is ably demonstrated by the sketch drawing in Appendix A of the study.

6. The study does indicate a wide range of additional surveys and additional design which will need to be undertaken. These are broken down into two areas:

- (a) those required to take the project to the stage of seeking planning consent (RIBA stage D); and
- (b) those required to see the proposal through to completion (RIBA stages E to K)

Both of these stages are estimated at around £130,000.

7. The Panel should note at this stage that whilst this is a clearly a capital scheme, should the project not be completed, all the capital monies spent on the scheme revert to revenue, which could have a serious impact upon the Council's continuing services budget at what is already a difficult time. However, if Members wish the feasibility to be taken further, additional capital monies will have to be allocated to enable that to happen. It is therefore suggested that the proposal only be developed as far as the planning pre-application stage, at which point it should become clear whether there is any realistic prospect of the proposal receiving a full planning consent. This intermediate stage reduces the exposure of the Council to the resourcing difficulties of capital expenditure reverting to revenue if the proposal cannot not be taken forwards.

8. The feasibility study indicates a construction cost of around £1.14 million with associated fees of £260,000, making an total of £1.4 million. There are however a number of significant key omissions from the costings at this stage, including fixtures and fittings, a new electricity sub station, contaminated land issues, diversions of existing services and unforeseen underground works. Based on other capital projects it is recommended that a contingency sum of between 5% and 10% is provided for, especially where ground conditions might be uncertain. A realistic total project cost for the project would therefore be £1.70 million and it is suggested that Cabinet be requested to allocate this capital sum into the Council's capital programme.

9. The feasibility study also puts forward an indicative time line for the proposal should it be agreed. If a project start were to be made in July 2009, completion could be anticipated in around March 2011 (i.e. a project period of 21 months). However, given current time constraints and the time needed for the proposal to be considered and approved through the Council's democratic processes, it is unlikely that a decision could be made to proceed by July of this year. The Joint use Agreement with the King Harold School is due to end in mid January 2010. If the School Governors elect to close the Sports Centre, this will leave a period of at least 15 months where there will be no replacement sporting or community provisions available. As part of the management of the cessation of the Joint Use Agreement, officers will discuss with the school how they may wish to deal with this time period and offer support to them where it is practical to do so. However, it is not suggested that the Joint Use Agreement be extended, since the Council's CSB budget already takes into account the savings which will arise from the closure of the Centre, and the underpinning rationale for the ending of the agreement, this being the condition of the buildings etc. remain, with continued deterioration.

Resources

10. The core resource components have been described in the section above, but for clarity this section will set out the resourcing implications in more detail in tabular form.

Item	Est. capital cost £
Develop proposal to planning stage (RIBA stage D)	130,000
Develop and oversee proposal to completion	130,000
Main construction costs	1,133,000
Other costs – sports equipment sub station	46,250 100,000
EFDC officer costs (estimated)	TBC
Total construction related costs	TBC
Contingency @ 10%	TBC
Total project cost	1,700,000

11. It can be seen from the above table that the total capital cost is estimated at £1.70 million. The use of this capital carries with it a revenue consequence added to which are the direct revenue costs of operating the new facility. This results in an overall annual revenue as set out below:

Item	Est. revenue cost £
Use of £1.70 million of capital at 2%	34,000
Additional SLM management fee	15,350
20% NNDR	TBC
Total additional revenue	£40,000

12. The report to Cabinet in December 2008 identified revenue savings of £202,500 per annum, from 201/11 onwards, arising from the decision to cease the joint use agreement with King Harold School. The revenue expenditure identified above will therefore reduce those CSB savings to £162,500 per annum.