

APPENDIX E	
Report To:	CABINET
Date:	27TH SEPTEMBER 2022
Heading:	LEISURE TRANSFORMATION PROGRAMME – UPDATE
Executive Lead Member:	CLLR RACHEL MADDEN, EXECUTIVE LEAD MEMBER FOR LEISURE, HEALTH, AND WELLBEING
Ward/s:	ALL ASHFIELD WARDS
Key Decision:	NO
Subject to Call-In:	YES

Purpose of Report

To update Cabinet on the implementation of the Leisure Transformation Programme which is bringing forward significant capital investment of **£22.5m** to Council owned leisure facilities including the Kirkby Leisure Centre new build and capital improvements at Lammas Leisure Centre and Hucknall Leisure Centre, including the second swimming pool.

To request that within the overall Council approved budget for Leisure Transformation, Cabinet approves the realignment of £0.5m from the Kirkby Leisure Centre budget to support the Hucknall second swimming pool project. The overall Council approved capital budget for the Leisure Transformation programme will not be exceeded.

Recommendation(s)

1. Cabinet is recommended to note the contents of the report.
2. Cabinet is recommended to approve the realignment of £0.5m from the Kirkby Leisure Centre capital project code to the Hucknall second swimming pool capital project code to support the project through to completion.

Reasons for Recommendation(s)

To ensure that Cabinet is updated on progress with delivery of the programme including the need to alter the design solution to Hucknall second swimming pool which has resulted in increased costs and delayed completion.

Alternative Options Considered

Not to support the internal transfer of £0.5m from the Kirkby Leisure Centre budget to the Hucknall second swimming pool budget. This is not recommended as the Hucknall Leisure Centre project will overspend its budget allowance whilst Kirkby Leisure Centre will remain with a forecast underspend against budget provisions.

Detailed Information

Transformation Investments

The Kirkby Leisure Centre project has now completed Phase 1, with the opening of the new Centre. The project continues to deliver against the indicators with the demolition of Festival Hall and the new car park due to open during February 2023.

The project continues to remain within the £15.5m approved budget and it is forecast that the project will achieve an outturn cost of £14.5m with a likely underspend of £1m.

This underspend already takes into account the improved specification of PV solar panels which have been installed on the roof as well as various improvements in the internal finishes compared with the original design.

The second swimming pool at Hucknall Leisure Centre achieved start on site in early 2022. Following the excavation and detailed analysis of the sub-ground conditions along with further inspections on the existing structure, a revision to the pool construction was proposed by contractor Kier North & Scotland. The Council's consultants have confirmed the need for this variation which will see the completion delayed by 10 weeks with the Centre complete in Quarter 1 of the 2023/24 financial year.

The delays and varied construction detail will increase costs onsite and the overall project budget of £3.5m. Realigning £0.5m of the identified underspend at Kirkby Leisure Centre will enable the Hucknall Leisure Centre second swimming pool to be completed whilst remaining within the overall approved capital programme budget for the Leisure Transformation programme.

Implications

Corporate Plan:

The Leisure Transformation Programme continues to deliver on the Council's Corporate Plan, to replace the ageing Festival Hall facility, the addition of new and improved facilities at both Lammas and Hucknall Leisure Centres to deliver activities which support the Be Healthy Be Happy priorities.

Legal: [RLD 31/08/2022]

The Council's legal team has, and continue to, support the operational teams with the various legal agreements required as part of the overall scheme.

Approval for the realignment of £0.5m within capital budget lines falls within the remit of the Cabinet (Financial Regulations B.9). It should be noted that this realignment is not yet reflected in the Capital Programme section of the Financial Monitoring report elsewhere on this agenda. If approved, this will be actioned on the next Financial Monitoring report to Cabinet.

Finance: [PH 01/09/2022].

Budget Area	Implication
General Fund – Revenue Budget	N/A
General Fund – Capital Programme	<p>The realignment of £0.5m from the Kirkby Leisure Centre to Hucknall budget line will not increase the Council's borrowing against these projects and is a prudent use of identified underspends to support the overall programme.</p> <p>The Council's finance team have validated existing expenditure and forecast expenditure providing confirmation regarding the availability of the underspend at Kirkby Leisure Centre.</p>
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Risk:

Risk	Mitigation
Further unidentified defects within the existing structure	Demolition and soft strip have already commenced in an isolated area of Hucknall Leisure Centre which has given further insight into the existing structure. No further variances are anticipated.
Kirkby Leisure Centre cost increases	With completion of Phase 1 the majority of expenditure has now been incurred and the cost reporting from the Council's consultants has been consistent throughout the project, providing confidence against any significant variance.

Human Resources:

No HR implications.

Environmental/Sustainability:

The new facility at Kirkby Leisure Centre is being built to the new Building Regulations resulting in reduced energy usage. Photovoltaic solar panels are installed onto the roof of the centre, these offset electrical energy usage. Electric car charging points are to be installed enabling users of the facility to charge vehicles.

The second swimming pool facility at Hucknall will also benefit from photovoltaic solar panels and electric car charging points. Increased numbers of secure cycle hoops are also being installed.

Equalities:

All of the capital investment across the leisure portfolio meets with the necessary Building Regulations regarding accessibility. The Council has engaged with Accessibility Champions during the design stages to ensure best practice.

Other Implications:

N/A

Reason(s) for Urgency

N/A

Reason(s) for Exemption

N/A

Background Papers

Cabinet Members will recall previous reports regarding Leisure Transformation, most recently the July 2022 report.

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