

SUBJECT:	AN INVESTMENT PROPOSAL FOR CALDICOT LEISURE CENTRE
MEETING:	CABINET
DATE:	31st JULY 2019
DIVISION/WARDS AFFECTED:	SEVERNSIDE - CALDICOT

1. PURPOSE:

To seek Cabinet support to instigate a major piece of work that will lead to a fundamental renewal programme for Caldicot Leisure Centre estimated to be in the region of £5.5 million - £6 million.

2. RECOMMENDATIONS:

2.1 Cabinet approve the sum of £127,598 to facilitate feasibility study so cost certainty and business planning can be developed for the refurbishment of Caldicot Leisure Centre. Initial cost will be met from a draw down of available capital receipts so there will be no initial impact on the revenue budget of the Council.

2.2 Cabinet receive a further report at the conclusion of the study when it will be asked to consider whether the programme proceeds or not.

3. KEY ISSUES:

3.1 Council recently decided that the MonLife service area (which includes leisure centres) will remain in-house for the foreseeable future and that every attempt will be made to fundamentally uplift the service offer so it meets the needs and opportunities of today. The early impact of the investment made in Monmouth Leisure Centre has justified confidence that there is significant untapped demand for services if they are presented in a contemporary manner. Caldicot Leisure Centre presents as the next leisure Centre needing significant uplift. We would expect Abergavenny and Chepstow to be similarly considered as part of the forward programme of school renewal.

3.2 Caldicot Leisure Centre was built in the early 1970's and at the time was a beacon of community use and life. Over the past 50 years it has seen significant change of use and additions to the site and converted many areas to try to keep up with modern day leisure provision. A small part of the centre was refurbished in 2005, from the original build, which incorporated an investment in the first-floor health and fitness offer, as well as ground floor changing rooms for fitness and a dedicated children's fitness studio. In 2013 the Council invested in a new outdoor artificial pitch. A condition survey in 2017 highlighted the need to spend £350k over the coming years. Even with these changes the facility looks tired and dated. This is thrown into stark relief given that it now shares a campus with the fantastic new Caldicot School.

3.3 Caldicot is set for growth with the Prince of Wales Bridge tolls no longer in place and LDP allocations in the Severnside area now progressing with pace, a brand-new 21st Century School complete and the demand for housing in the area continues to rise. A £10M revamp of the town centre has been approved which would see an apartment complex, a vibrant shopping centre and new road infrastructure, all as part of a South East Wales Regeneration plan. The new LDP might see additional growth in the Severnside area. These are good times for Caldicot and there is a confidence about the town that additional investment can grow.

3.4 There are presently circa 380 children on the Learn to Swim program and circa 850 direct debit members at Caldicot Leisure Centre, a latent demand study in 2012 reported a potential membership base of 1,100, however we have commissioned a new study upon which we can build a business case.

3.5 The objectives of the developments will be;

- Delivery of key outcomes – including health, wellbeing and improved physical activity.
- Improved financial performance – to deliver a sustainable return on investment through increased membership (Fitness and Swimming DD's) and casual income.
- Drive increased income and grow participation in regular physical activity from the community.

3.6 The proposals are likely to include;

- Delivery of an extension of the fitness suite and introduction of two studios with a reconfiguration of the first floor.
- Development of new male and female dry changing facilities including new toilet provision.
- Changing village and improved Spa facilities.
- Improvements to the Pool area.
- Viewing area for swimming pool.
- Delivery of soft play facility with a café for all centre users.
- Redesign of the entrance and ground floor.
- Provide outside changing area to maximise the 3G use.

3.7 An initial feasibility study has been undertaken to identify the costs of the rebuild and this has been estimated at between £5.5m and £6m however we would need to look at the building programme to ensure that the school still has access to the sports hall for exams. It is anticipated that if this could not be resolved then we would need a temporary structure (as with Monmouth) at a cost of approximately 500k.

3.8 The service has commissioned a latent demand study relating to the project. This approach will ensure that there is sufficient and appropriate demand for the proposed new facility both now and into the future. The report will include competitor analysis, assess the latent demand and give an indication of potential increase in income. It is anticipated that all of the extra income above the existing budget would be used to support the total borrowing costs of the project.

3.9 The feasibility study will develop the design, including mechanical and electrical input and surveys of the site to help inform the final design that would be taken forward to the cost certainty (RIBA stage 3 & 4). The anticipated costs for stage 2 are £127,598 and this also includes a services condition survey which will help inform investment opportunities to make the Centre more energy efficient.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

4.1 The decision to proceed with getting cost certainty for refurbishment cost of Caldicot Leisure Centre will allow the council to minimise risk in project delivery cost. The potential refurbishment will ensure there are more opportunities for all the community to keep physically active and well. New building regulations will ensure that historic problems on the site are rectified and can also assist in making sure the building maximises opportunities to be more energy efficient.

5. OPTIONS APPRAISAL

5.1 The option to do nothing on the site would lead to further deterioration of the existing building and outside areas as currently the site is in need of investment. The new school investment and general regeneration of Caldicot and removal of the bridge tolls has led to the Leisure Centre being less attractive and in need of uplift in standard of facility to attract new customers and also ensure existing customers get the service they deserve. The Monmouth Leisure Centre refurbishment has given some really strong reasons to why the service intends to repeat a similar investment in Caldicot.

6. EVALUATION CRITERIA

6.1 The evaluation and information gathered from the RIBA stage 2 will enable officers to pull together a business plan during the summer/autumn and then present a further paper to members. The scheme is following a similar route that Monmouth Leisure Centre project followed.

7. REASONS:

7.1 The decision will enable the service to explore new facilities, do a detailed business plan and move forward at the Caldicot site.

7.2 Improved financial performance – to deliver a sustainable return on investment through increased membership (Fitness and Swimming Direct Debits) and casual income from all income streams, including secondary spend.

7.3 Drive increased income and increase participation in regular physical activity from the community.

7.4 Will enable the delivery of key outcomes – including health, wellbeing and improved physical activity and increase the health and wellbeing of our community members and assist in reducing energy output

8. RESOURCE IMPLICATIONS:

The resource required at this stage of the project is the cost of moving to RIBA stage 2 which allows necessary testing and feasibility to progress. At this stage, the amount is £127,598. Should the project not go ahead then the cost of the study would need to be paid for at the time of that decision, or near to it. If the project proceeds and the decision is to refurbish Caldicot Leisure Centre the funding would be included in the overall project cost of the scheme.

9. CONSULTEES:

Customer survey 2019
Caldicot Comprehensive School
SLT
MCC Project Board 21st Century Schools

10. BACKGROUND PAPERS:

None

11. AUTHOR:

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