

CABINET

16 November 2021

LEISURE OPTIONS

Report of the Portfolio Holder for Health, Wellbeing and Adult Care

Strategic Aim:	Vibrant communities	
Key Decision: Yes	Forward Plan Reference: FP/151021	
Exempt Information	Appendix B of this report contains exempt information and is not for publication in accordance with Part 1 of Schedule 12A of the Local Government Act 1972. Further details can be seen in paragraph 7.2 below	
Cabinet Member(s) Responsible:	Cllr A Walters, Portfolio Holder for Health, Wellbeing and Adult Care	
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Ward Councillors	All	

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the exploration of opportunities for county-wide leisure provision in partnership with the Rutland Local Sports Alliance, to determine whether any community owned / led options are viable.
2. Approves the development of plans for a Pool and Dry side Provision ("Wet and Dry"), or Pool Provision ("Wet Only") at a new site to an initial design stage, using the existing project budget, in order to build a viable case for a new swimming pool in Rutland, noting that progress beyond this point can only be undertaken when:
 - a) Significant (at least 90%) capital funding becomes available from external sources, or a partner body is identified that would be willing and able to meet at least 90% of the capital requirement, and
 - b) The new provision can be delivered at no revenue cost to the Council
3. Agrees to allocate £250,000 of Section 106 Developer Contributions received to date for the purpose of providing Recreation, Sport and Leisure infrastructure to a

Swimming Provision Project, as match funding towards future provision and investment in facilities.

4. Notes that further repair to the existing Catmose Pool, which has reached its end of life, is not affordable, and the pool will not be re-opened.
5. Authorises the Strategic Director for Places, in consultation with the Portfolio Holder for Health, Wellbeing and Adult Care, to enter negotiations with the Management of Catmose College to agree the future of the legacy leisure facilities at Catmose Campus, including the option to let a new nil-cost contract for the management of all or part of the dry side leisure facilities under the existing or renewed leases.
6. Authorises the Strategic Director for Places, in consultation with the Portfolio Holder for Health, Wellbeing and Adult Care to progress procurement of a dry-side leisure management contract if a nil-cost contract is achievable and agreeable to both the Council and Catmose College. Procurement implications will be reported to Cabinet before any award is made.
7. Authorises the Strategic Director for Places, in consultation with the Portfolio Holder for Health, Wellbeing and Adult Care, to enter negotiations with other local providers for the provision of public access swimming.

1 PURPOSE OF THE REPORT

- 1.1 To enable Cabinet to consider the options for future leisure provision in Rutland and determine which of the available options should be pursued.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Rutland County Council's Corporate Plan sets out Priority Themes including Vibrant Communities and Protecting the Vulnerable. Within these Themes are specific Strategic Aims including:
 - Protect, maintain, enhance and conserve what makes Rutland great
 - Improve access for children and young people to be engaged out of school
 - Explore the opportunities for new and improved cultural and leisure opportunities for Rutland
 - Work with partners to protect and enhance healthcare within our community
 - Protect and improve the lives of vulnerable adults
- 2.2 Ensuring the provision of affordable opportunities for residents to access leisure and wellbeing provision can support the delivery of these aims. However, it is not necessarily the case that the way in which this provision has been delivered in the past is still the best, or only, way to achieve these aims.
- 2.3 The Council has commissioned RPT Consulting, an established leisure consultancy, to engage with stakeholders and partners to examine the nature of the current provision in Rutland, and what is needed to meet the challenges of the next generation. This work has been used to develop a draft Needs Analysis and Options Appraisal, attached as Appendix A. The full options are set out in this report in Section 4, and the recommendations in Section 14 below.

- 2.4 A key consideration will be ensuring that the Council's contribution to the County's future leisure offer can be delivered within the Medium Term Financial Plan, and where possible contribute to reducing resource expenditure. Under normal conditions, the operation of public leisure facilities has been achieved at nil revenue cost or better to many local authorities. The Council's contract with SLL is designed to be nil cost, except for significant repair costs. However, the impact of the pandemic has pushed many operators in to deficit, and has required significant support from local authorities, including here in Rutland.
- 2.5 Rutland has been in a particularly difficult position due to the scheduled end of the contract with SLL for operating Catmose Sports falling in March 2021. This has meant that normally scheduled capital investment as a result of a new 10 year plus contract has not been secured, with current operations holding over without investment. The operator has experienced significantly reduced income as a result of lockdowns and the pool facility becoming unusable.
- 2.6 It is now urgent that decisions are taken to shape the future provision for the County. This report sets out the context of the decisions to be made, with 8 options outlined in section 4.

3 LEISURE AND WELLBEING NEEDS

- 3.1 Whilst overall the health of Rutland's population is better than the national average, there are significant underlying long term health issues and increasing levels of inactivity. Rutland's population is older than the national average and projected to continue ageing. There is a higher prevalence of hypertension, stroke, diabetes, chronic kidney disease and heart failure in Rutland than in England as a whole. Maintaining levels of activity can benefit all of these aspects of health.
- 3.2 Overall, Rutland residents self-report high levels of participation in sport and leisure activities. However inequalities in physical activity present at a national level are replicated in Rutland for older people (who are less active) and lower socio-economic groups (who are less active). People in Rutland with long-term illnesses or disabilities are less physically active than those at a national level.
- 3.3 Active lives are not purely about provision of facilities. Many activities can take place in non-specialist multi-purpose spaces, and the development of active environments makes it easier for people to be physically active. The Future Rutland consultation demonstrated the wide range of activities that Rutland residents enjoy, with walking, cycling and swimming being the top-ranking activities. Walking and cycling benefits can be enhanced with long term changes to the way our settlements are planned, built and used.
- 3.4 The facility assessment finds that the existing supply of facilities is sufficient to meet the needs of the population, as long as:
- Community access to a 20m pool or larger in Oakham is available and secure
 - Community access to school facilities is protected and, ideally, enhanced
 - Facilities in Stamford, Corby and Melton continue to operate and deliver to the residents of Rutland.
- Without all three of these areas of supply being met, there would be insufficient provision to meet the needs of residents.

- 3.5 The key issue in terms of built facilities is to secure community access to a pool within Rutland. This is needed to ensure equality of access, enabling that those groups who are less active (including those with disabilities) have access to suitable facilities. The main pressure in terms of access is the north of the County, around Oakham, following the closure of Catmose Pool for safety reasons. National Sport England research has shown that 91% of swimming pool visits are from users within a 20 minute drive time of facilities, with 73% of swimming pool users travelling by car.
- 3.6 Prior to the pandemic, the Catmose Sports Centre met a significant proportion of the County’s demand for leisure provision. In the 2019/20 financial year, Catmose Pool had 1,484 members paying annually or by direct debit, plus 10,300 walk-in casual users, with 9,000 of the users living in Rutland. In 2019/20 there were 14,960 swimming lesson attendances and 19,712 other swimming attendances, 57,666 fitness session attendances, 48,112 group work session attendances, and over 6,000 sports hall session attendances. These figures represent a significant level of provision for the County. Following the easing of lockdown over the summer, users are returning to Catmose Sports, although usage has yet to return to pre-pandemic levels which reflects the national picture. In addition, uncertainty over the future of the pool has led to some confusion about the long term future of the facility.
- 3.7 Both Uppingham School Sports Centre and Oakham School Sports Centre provide access to leisure facilities at specific times, however access is much more constrained than that provided by Catmose Sports. Oakham School pool is available to the public 11.5 hours per week, and Uppingham School pool 11 hours per week. There is potential for a small increase in access, but it will not be possible to secure the 52.5 hours per week of peak time access that was provided by Catmose Pool.

4 OPTIONS FOR CONSIDERATION

- 4.1 There are a range of options open to the Council to meet the leisure and wellbeing needs of the community. These options are not all mutually exclusive – some may be progressed together to create the optimum mix to meet the community’s needs. In considering the future leisure and wellbeing offer, the Council must consider whether it wishes to provide built facilities for wet (swimming) and/or dry side activities, or encourage community provision through the network of facilities provided by other organisations (such as schools, colleges, and neighbouring authorities) and open spaces.
- 4.2 The table below outlines the options open to the Council:

Table A Future Options

Option	Description
A. Open Spaces and Community Provision	Invest in open spaces and community provision
B. Improve Access to other existing Pool Facilities	Improve community access to other pool facilities in the County
C. Cease LA Wet & Dry provision	Return Catmose Sports facilities to Catmose College with no community use agreement

D. Dry-side only provision at Catmose Sports	Commission operation of dry-side facilities only at Catmose Sports Centre with refreshed contract
E. Wet & Dry provision at Catmose Sports	Improve provision at Catmose Sports Centre through new or refurbished pool and fitness facilities
F. Wet & Dry provision at a new site	Develop a new wet & dry leisure and wellbeing facility in a location to be determined
G. New Wet Only facility at a new site	Develop a new wet leisure and wellbeing facility in a location to be determined
H. New Dry Only facility at a new site	Develop a new dry leisure and wellbeing facility in a location to be determined

In order to evaluate the options, the scoring scales shown in Table B below have been used:

Table B Scoring Scale for Evaluation

0	Unacceptable - the option raises major concerns; is potentially highly detrimental and does not represent a satisfactory approach
1	Poor - the option has significant shortcomings; is likely to impact adversely and have longer term poorer results / cost implications
2	Acceptable - the option has minor shortcomings; there may be impacts to a small extent / relatively small cost implications
3	Good - the option raises no concerns; there is a moderate outcome benefit / cost reduction
4	Very Good - the option has clear benefits; there are tangible improvements beyond acceptable standards or expectations / clear cost reductions
5	Excellent - the option is completely relevant and excellent overall; option is comprehensive and innovative / represents a significant cost reduction

An evaluation of the options using the weighting suggested by the Scrutiny Panel and agreed with the Portfolio Holder is provided in Table C below:

Table C Options Evaluation

Scoring 1-5	Weight %	A		B		C		D		E		F		G		H	
		Open Spaces & Comm. Provision	Improve Access to other existing Pool Facilities	Cease LA Wet & Dry provision	Dry Side Only at Catmose	Wet & Dry at Catmose	Wet & Dry at new site	New Wet only facility	New Dry Only Facility								
		Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
Needs	10	1	10	2	20	1	10	1	10	4	40	5	50	3	30	1	10
Opportunities	10	1	10	1	10	0	0	1	10	3	30	5	50	2	20	1	10
Financial	70	3	210	3	210	3	210	3	210	1	70	1	70	1	70	1	70
Feasibility	10	4	40	2	20	1	10	3	30	1	10	2	20	3	30	2	20
Total	/20	9		8		5		8		9		13		9		5	
Weighted Total	/500		270		260		230		260		150		190		150		110
Rank			1		=2		3		=2		=5		4		=5		6

- 4.3 No site or capital resource has been identified at this time for options F, G and H. If the Council were to invest capital funds at the Catmose College site (Option E) it is important to note that the asset will remain the property of Catmose College and will not be in the ownership of Rutland County Council. The capital investment for options E, F, G or H could take 5 years or longer to complete. In the interim, dry side provision could be continued at Catmose Sports through procurement of a leisure operator.
- 4.4 Financial implications of the options are included in the Exempt Appendix B. Investment in new facilities for options E to H will require external funding, and it is recommended work is not progressed beyond initial design stage until funding for 90% of the capital costs are identified from external sources. Nil revenue cost to the Council is also required from any future provision.

- 4.5 Options D to H could be delivered by an operator on behalf of the Council or directly as an 'in-house' operation. Given the Council does not currently operate these services 'insourcing' would require investment in additional staff and would present additional risks. During the pandemic, some Local Authorities have had to insource leisure management operations as a result of contractor failure. Outline details of the risks and implications of insourcing can be found on the Local Government Association website at: <https://www.local.gov.uk/publications/guide-emergency-insourcing-leisure-services>
- 4.6 Continuing to invest in Rutland's network of footpaths, rights of way, open spaces and play areas is essential to ensure long term opportunities for residents to be active in their locality. It is vital that these aspects are built in to local planning policies (see the draft Local Plan policies EN13, EN14 and SC2). This option (Option A above) can be pursued in parallel with other options.
- 4.7 Recommendations for progressing future provision are given in section 14 below.

5 CONSULTATION

- 5.1 Public consultation has been undertaken through the Future Rutland Conversation. RPT Consulting have undertaken a programme of discussions and engagement with local stakeholders and partners.
- 5.2 The headlines of the work undertaken to date have been considered by the Scrutiny Panel for Growth, Infrastructure and Development. Comments arising from the Scrutiny review have been included in this report.

6 ALTERNATIVE OPTIONS

- 6.1 All potential options that have been identified are presented to Cabinet for consideration.

7 FINANCIAL IMPLICATIONS

- 7.1 The project work to deliver the evidence for decision making is funded through a specific project fund agreed by Cabinet in 2020. This resource can be used to undertake soft market testing for any future leisure contract, and to develop initial designs for any new facility.
- 7.2 Exempt Appendix B outlines the high level financial implications of the various options. All of the available options place additional pressures on the Council's Medium Term Financial Plan. The information is restricted as it includes commercially sensitive information.
- 7.3 Discussions between the Director for Places, the Cabinet Member with portfolio for Health, Wellbeing and Adult Care, and the Management of Catmose College to agree the future of the legacy leisure facilities at Catmose Campus may result in a range of financial implications, as outlined in the Exempt Appendix B. If provision is to continue from the Catmose Campus, the achievement of a nil-cost contract or better will be essential to support the Council's financial position.
- 7.4 Any spending on repairing / upgrading existing facilities or even adding to or building new facilities is called capital expenditure. Councils fund capital expenditure using different sources of funding as outlined below:

- 7.4.1 **Government grants** – Councils receive capital grants from Government to maintain the road network, improve the transport network, create new school places, improve or create the provision of special educational facilities and to support residents with adaptations in their home. The Council does not receive any government capital grants for leisure services.
- 7.4.2 **External funding** – Councils are able to bid for funding from external bodies (including Government) when specific funding pots are announced. The bidding process is competitive so not all bids are guaranteed to be successful, and funding may come with conditions and limited scope. There are no Sport England funding pots currently available to the Council. Sport England has previously operated a Strategic Facilities Fund which provides grants of between £500,000 and £2 million. This can be for a standalone project, or as a contribution to a strategic plan that includes more than one project, however this is not currently open for bids.
- 7.4.3 **Borrowing** – Councils can borrow to invest in new capital projects. Borrowing is paid for from the Council's revenue budget. The Council currently has a gap in its budget and needs to save over £2m per annum. Any borrowing would increase its funding gap and could mean, for example, that other services would have to be cut back to compensate.
- 7.4.4 **Reserves and balances** – the Council does have c. £11m in Reserves which could be used to invest in Leisure facilities. These reserves also exist to prop up the funding gap as outlined above and to help the Council meet additional demands for services in areas like social care. As the Council has a £2m funding gap, committing significant Reserves to any future provision is difficult.
- 7.4.5 **CIL / Section 106 Developer Contributions** – The purpose of developer contributions is to raise funds from developers who are undertaking new building projects. This funding will help pay for infrastructure that is needed to support new development such as highways, education, learning and skills, health facilities, community provision etc. Leisure facilities can be funded from CIL / S106 but as indicated above, there are other calls on that funding which the Council is currently considering. At present the Council holds Section 106 Developer Contributions which have been secured for improvements to recreation, sport and leisure facilities in the County, although some is allocated to particular localities.
- 7.5 In some Council areas, private operators often build and run facilities without any Council involvement where they can secure a return on any additional investment. In other cases, Councils work together with private operators in various forms to create or run provision with each making some form of investment.
- 7.6 Once facilities exist and are running, Councils have to subsidise services (through the revenue budget) if they do not generate sufficient income to cover costs. As indicated in para 2.4, the Council is currently subsidising leisure provision as the level of income generated by the operator does not cover costs due to the pandemic restrictions and facility closures.
- 7.7 The Council's ambition remains to achieve a leisure provision that it can afford to create and maintain, and which is sufficiently used by the public to cover running and maintenance costs. In the current financial climate, the Council is looking for:
- External investment of c. 90% of the cost of any upgrade to existing facilities or

new facilities. The Council will seek to cover 10% of any capital expenditure through available sources.

- Provision which creates no additional liability for the Council i.e. any running or maintenance costs would be covered by ongoing income from fees and charges.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Negotiations with existing leisure facility providers and local schools may result in the identification of legal or contractual issues. Where any substantive issues arise, decisions will be taken in line with the Council's constitution, including referral to Cabinet or Council for determination if necessary.

9 DATA PROTECTION IMPLICATIONS

- 9.1 A Data Protection Impact Assessment (DPIA) has been completed. No adverse or other significant risks / issues were found arising from Cabinet considering this issue. A copy of the DPIA can be obtained from Robert Clayton, rclayton@rutland.gov.uk

10 EQUALITY IMPACT ASSESSMENT

- 10.1 If work is not undertaken to secure long term leisure and wellbeing provision for the County, there may be equality and diversity impacts. A full Equality Impact Assessment (EqIA) has been completed which outlines the potential areas of impact.

11 COMMUNITY SAFETY IMPLICATIONS

- 11.1 Provision of accessible, good quality sports and recreation facilities may help to reduce levels of anti-social behaviour, by providing diversionary activities. Membership of sports and recreation organisations helps to build community bonds and a sense of local pride.

12 HEALTH AND WELLBEING IMPLICATIONS

- 12.1 Provision of a comprehensive and accessible network of facilities to enable individuals and groups to participate in sports and recreation can be of significant benefit to the health and wellbeing of the community. A vibrant sports community already exists in Rutland, and is a significant contribution to the generally high levels of health and wellbeing recorded in the County. A positive attitude to physical fitness and personal health has also been shown to improve the mental wellbeing of individuals. The range of facilities and pursuits available in Rutland is also a strong draw for persons considering relocating to the area.
- 12.2 If the Catmose sports facility closes without alternative provision there could be short and longer term health implications for the wellbeing of a number of residents both young and old. The loss of the Catmose fitness facilities could result in a downturn in levels of physical activity within the County. It is therefore recommended that further work is undertaken to explore the potential for a new nil cost contract to operate the existing dry side facility.

13 ORGANISATIONAL IMPLICATIONS

- 13.1 Environmental implications
- 13.2 Provision of local leisure and wellbeing facilities reduces the need of residents to travel significant distances, which reduces the carbon impact on the environment. The existing Catmose Pool makes use of decades-old technology and is at its end of useful life so is inefficient. Investment in any new facilities would present an opportunity to reduce the carbon impact through new technology and energy efficient build techniques.
- 13.3 Procurement Implications
- 13.4 If a new leisure management contract for the operation of Catmose Sports is to be let, work needs to start before the end of the calendar year to ensure the contract is in place before the existing contract ends. This is a tight timescale and it is recommended that the opportunity to extend the existing contract for up to a further six months is explored further. This would be subject to further Cabinet approval.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 14.1 Following discussions with the Scrutiny Panel, the Portfolio Holder for Health, Wellbeing and Adult Care is recommending that Cabinet approve the following multi-strand actions. All options which are progressed will be undertaken in partnership with the Local Sports Alliance, to determine whether any community owned / led options are viable.
 - 14.1.1 **Open Spaces and Community Provision [Option A]** can be progressed as and when opportunities for supporting community facilities is identified, using existing developer contributions and applications for external funding, as sources become available. Top ranked option.
 - 14.1.2 **Improve Access to Existing Pool Facilities [Option B]** discussions to be progressed with the owners of other pool facilities in Rutland, in order to increase community access to high quality sports facilities. Joint second ranked option.
 - 14.1.3 **Dry-side Only Provision at Catmose Sports [Option D]** to be explored by Officers to determine whether a nil-cost or better dry side only provision can be achieved at Catmose Sports from April 2023 onwards, in agreement with the College. This will be determined through soft market testing, potentially progressing to a full procurement for a new contract if market conditions allow. Joint second ranked option.
 - 14.1.4 **Cease Local Authority Wet & Dry Provision [Option C]** to be held in reserve in case it is not possible to procure a nil-cost or better contract. Third ranked option.
 - 14.1.5 **Wet and Dry or Wet Only Provision at a New Site [Options F and G]** – further work to be undertaken to scope the potential for an outline business case for new facilities in Rutland. Fourth and joint fifth ranked options.
 - 14.1.6 **Wet and Dry Provision at Catmose Sports [Option E]** to be discounted. There is ongoing and increasing pressure to accommodate additional student numbers at Catmose College, which means there is no scope for renewed community sports facilities beyond the existing core provision. In addition the cost of investment in the Catmose Campus cannot be justified, as the Council does not own the facility and

cannot fully exploit or control its use. As such, the future of the existing Catmose Pool, which has exceeded its design life and cannot be safely used without substantial capital expenditure, should be agreed with the College as landlord. Joint fifth ranked option.

- 14.1.7 **New Dry Only Provision at a New Site [Option H]** to be discounted, as this will not meet the community need for swimming provision with the Catmose Pool being out of use. Lowest ranked option.

15 BACKGROUND PAPERS

- 15.1 There are no additional background papers to the report.

16 APPENDICES

- 16.1 Appendix A – Leisure and Wellbeing Needs Analysis
- 16.2 Appendix B – Exempt Financial Summary
Marked as “Not For Publication” because it contains exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, namely to protect commercially sensitive information.

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.