

# EAST AYRSHIRE COUNCIL

Cabinet – 25 October 2023

## Joint Report by the Head of Housing and Communities and Chief Financial Officer/Head of Finance and ICT

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### Visions Leisure Centre

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#### **Purpose of report**

1. The purpose of this report is to seek direction from Members in regard to the Vision's Leisure Centre, its current challenges, support provided by the Council over the past 18 months and possible future of the facility.

#### **Recommendations**

2. It is recommended that Cabinet agrees to:
  - (i) Recommend the renewal and transfer of the SLA from Cumnock and District Leisure Group to Visions Leisure Centre for 2024-25 onwards with agreement, that it would not contain any supplementary enhancements and that the grant level would be subject to future reviews linked to Council Savings packages.
  - (ii) Recommend payment of £0.065m of remaining annual grant
  - (iii) Recommend the release of the remaining £0.090m of the pre-authorized support funding aligned to the agreement reached in April 2022 Cabinet paper
  - (iv) Recommend that £0.046m of capital funds for repairs and maintenance be reimbursed to Visions (Cumnock) Limited
  - (v) Recommend that Cabinet withdraw previous commitment for the Council to pay the costs of connection to the Barony Campus Bio Mass heating system
  - (vi) Recommend that Cabinet withdraw previous commitment to pay for repair and maintenance costs to Visions (Cumnock) Limited
  - (vii) Remit officers to work alongside Visions (Cumnock) Limited to seek alternative funding for Bio Mass Connection and Repairs and Maintenance Costs
  - (viii) Recommend that Auchinleck Pool closes as at November 2023 with provision being relocated to Visions Leisure Centre with no disruption to service
  - (ix) Recommend F&PM commence full closure and demolition of Former Auchinleck Academy from April 2024

- (x) Recommend that lighting is upgraded at Former Auchinleck Academy Football Pitch to allow Auchinleck Talbot to continue to train at this facility until the end of March 2024
- (xi) Remit to Chief Officer of East Ayrshire Leisure Trust to work with Auchinleck Talbot to move to Merlin Park from April 2024 with view to securing funding to install a 3g pitch with associated lighting by end of 2024
- (xii) Recommend that at the end of Auchinleck Talbot residency the transfer of upgraded lighting be moved from Former Auchinleck Academy to Loudoun Leisure Centre which also requires upgrading
- (xiii) Note Cabinet decisions and subsequent actions from 27 October 2021 in respect of Cumnock and Area Leisure Hub Update Report have been addressed within paragraphs 33 to 37 of the report
- (xiv) Note the specific Asks from the Trustees that are shown at paragraphs 33-35 and contained in [Appendix 4](#);
- (xv) Recommend F&PM to commence full closure and demolition of Former Auchinleck Academy from April 2024
- (xvi) Otherwise, NOTE the contents of this report.

**What follows is an extract from the original report, the detail of which is confidential.**

## **Auchinleck Leisure Centre Feasibility Study**

**36.** In May 2022, East Ayrshire Leisure commissioned an independent study of Auchinleck Leisure Centre. The purpose of the study was to identify any potential development opportunities for the centre, which may enhance the leisure service provision within the area.

As part of the exercise, Azets considered the financial impact of:

- Demolishing the existing centre, keeping the Synthetic Grass Pitch and building a new pavilion
- Keeping the full facility with swimming pool and undertaking a refurbishment of the centre
- Decommissioning the pool and considering an alternative use for the site

**37.** Table 1 outlines a high level analysis of the potential capital spend of £2.577m required to undertake the demolition of the existing centre, keep the SGP and install a new pavilion. The costings assume the works will commence in quarter 4 of 2024. No estimates have been included for building warrants or planning fees.

EALT has estimated that the annual staffing costs under this scenario would be £31k.

Table 1

	Unit	Quantity	Rate (£)	Total (£)
<b>Summary of Works</b>				
New build modular facility	M2	228	1,700	387,600
Allow for passivhaus uplift	15%			58,140
Demolition of existing school and leisure	Sum	1	794,755	794,755
Replace existing blaes with grass pitch	Sum	1	125,000	125,000
External works (car park and fencing only)	Sum	1	72,000	72,000
<b>Sub-total</b>				<b>1,437,495</b>
BCIS uplift 3Q 2020 – 4Q 2024	21.21%			304,892.69
				<b>1,742,387.69</b>
Preliminaries	12%			209,086.52
<b>Sub-total</b>				<b>1,951,474.21</b>
Contingency allowance	5%			97,573.71
<b>Sub-total</b>				<b>2,049,047.92</b>
Market Volatility	7.5%			153,678.59
<b>Construction costs total</b>				<b>2,202,726.51</b>
Professional fees	17%			<b>374,463.51</b>
<b>Total Costs</b>				<b>2,577,190.02</b>

Table 2 outlines a high-level cost analysis if the facility was to remain with its current provision. Refurbishment of the building would be required if this option was to be taken forward and a detailed scope of works would need to be commissioned if this was deemed a viable option. The costings assume that works will commence in quarter 4 of 2024 and are estimated at £6.526m. EALT has estimated an annual running cost of £554k for this option based on £220k for staff and £334k for utilities and other running costs.

Table 2

	Unit	Quantity	Rate (£)	Total (£)
<b>Summary of Works</b>				
Works identified by F&PM as required in next 5 years	Sum	1	1,625,128	1,625,128.00
Allow for enerfit uplift	15%			243,769.20
Mechanical and electrical works including new plant room	Sum	1	825,740	825,740.00
Allow for enerfit uplift	15%			123,861.00
Demolition of existing school (including landscaping)	Sum	1	625,000	625,000.00
Replace existing blaes with grass pitch	Sum	1	125,000	125,000.00
External works (car park and fencing only)	Sum	1	72,000	72,000.00
<b>Sub-total</b>				<b>3,640,498.20</b>
BCIS uplift 3Q 2020 – 4Q 2024	21.21%			772,149.67
				4,412,647.87
Preliminaries	12%			529,517.74
<b>Sub-total</b>				<b>4,942,165.61</b>
Contingency allowance	5%			247,108.28
<b>Sub-total</b>				<b>5,189,273.89</b>
Market Volatility	7.5%			389,195.55
<b>Construction costs total</b>				<b>5,578,469.44</b>
Professional fees	17%			948,339.80
<b>Total Costs</b>				<b>6,526,809.24</b>

38. A number of alternative use options were suggested through community consultation. These were considered as part of the feasibility study and the most popular are detailed with comment from the consultants in the table 3.

Table 3

Suggestion	Comment
Auchinleck Leisure Centre should increase opening times to include daytime usage	Increasing opening hours would lead to a significant increase in running costs. Given the level of use of the centre, it would be difficult to generate enough revenue to breakeven
There should be more swimming lessons and increased access to the pool	Increasing swimming lessons would lead to an increase in staff costs. Given the level of use of the centre, it would be difficult to generate enough revenue to breakeven
Use the facility for parties, crèche, café etc.	The area is already well served with facilities that cater for these activities. A full business case would be required to determine if this option was viable.
Consider the availability of grants	It would take a significant amount of time to raise the level of capital funding required to refurbish the centre. This suggestion also doesn't take account of the annual running costs and their affordability
Increase fees and introduce monthly memberships	EALT already has a well-established and affordable membership. It is unlikely that an increase in fees would raise enough revenue to breakeven
Set up gym facilities	There are various private and public sector gyms in the area. A new gym would be direct competition for these other facilities.
Increase classes and activities	Increasing classes would lead to an increase in staff costs. Given the level of use of the centre, it would be difficult to generate enough revenue to breakeven

**39.** Given the significant capital and revenue costs associated with the options above, consideration should be given to full demolition and moving all provision to alternative facilities within the area. The cost of demolition is estimated at approximately £1.000m to demolish the school and leisure centre regardless of the end use of the site.

## **Cumnock and District Leisure Hub**

**40.** At its meeting on the 28<sup>th</sup> October 2020, Cabinet agreed to remit East Ayrshire Leisure and East Ayrshire Council Vibrant Communities to develop a Cumnock and District Leisure Hub supported by a stakeholder group of local clubs and organisations. Given the results of the feasibility study for Auchinleck Leisure Centre, the potential capital costs and the rising energy costs associated with operating swimming pools in particular, the proposal is to focus the leisure hub around the Barony Sports Village and Visions Leisure Centre. Transfer of customers from Auchinleck Leisure Centre to the facilities at the Cumnock and District Sports Hub would contribute to the sustainability of these venues and the leisure offer in the area.

## **Potential for sport and leisure**

**41.** The proposals in this report provide scope to consider and reflect upon the wider groups of assets that are based locally to Visions. As Members will be aware Cabinet took the decision on 27 October 2021 to retain the use of the Auchinleck Pool whilst a review of its use was undertaken. Since then the Chief Officer of the EALT has reviewed usage and has confirmed that attendance is such that a prolonged and substantial grant funding package from the Council would be needed to retain the pool.

**42.** In the past few months and as noted at paragraph 17, Trustees from Visions and colleagues from EALT have met to consider how EALT could also support the Visions Trust. Following discussions, both parties are in agreement that the patrons that currently use Auchinleck Pool should move to the Visions Pool with EALT staff providing initial staffing support to facilitate the transition between the two pools.

**43.** Consequently, with the transfer of customers to Visions it is proposed that the Auchinleck Pool is closed and that the wider demolition of the former Auchinleck Academy site proceeds as quickly as possible.

**44.** If approved and subject to meeting the necessary conditions outlined within this report, the above move could commence as early as November 2023. This itself would realise approximately £0.010m per month in cost avoidance; currently paid to East Ayrshire Leisure to maintain Auchinleck Pool as operational.

- 45.** The synthetic grass pitch at Auchinleck Leisure Centre is used extensively by Auchinleck Talbot to support their community programme. The club uses the pitches every midweek evenings from 7pm until 9pm with an early start of 6pm on a Wednesday and Thursday for younger players. They also have the pitches as their home ground for all of their youth teams. Whilst East Ayrshire Leisure are trying to relocate some of these activities to Barony Sports Village, there is currently only capacity for some of the teams on the Monday and Wednesday. Other community clubs also use the pitches at Auchinleck Leisure Centre throughout the winter.
- 46.** East Ayrshire Leisure has submitted an expression of interest to the Scottish Football Association to install a new synthetic grass pitch with floodlights, as well as improvements to the grass pitch, at Merlin Park. Merlin Park has one of the best pavilions across East Ayrshire. The intention is to work with Auchinleck Talbot, Vibrant Communities and the SFA to upgrade the facilities at Merlin Park and make this the home of football and other outdoor sport development in Auchinleck.
- 47.** Members will also recall As part of the Property Management Plan, reported to cabinet on 19 April 2023 it was noted that a significant cost of repair and replacement was required to continue to manage all synthetic pitches across the Authority. This included a cost of £190,000 for the replacement pitch at Auchinleck Academy, which would be due for replacement during 2024. In addition lighting repairs of £30,000 are required.

## Implications

Implications	Yes	No	Paragraph number in report
1. Policy/Strategic Planning		X	
2. Governance		X	
3. Human Resources		X	
4. Equality and Fairer Scotland Duty		X	
5. Financial	X		
6. Risk	X		
7. Community Wealth Building		X	
8. Net Zero		X	