

EXECUTIVE

Tuesday 12 June 2018

Present:

Councillor Edwards (Chair)
Councillors Bialyk, Denham, Harvey, Leadbetter, Morse and Sutton

Apologies:

Councillors Packham and Pearson

Also present:

Director (DB), Director of Communications and Marketing, Chief Finance Officer, Director (JY), City Surveyor, Cleansing & Fleet Manager, Active & Healthy People Programme Lead and Democratic Services Manager

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MINUTES

The minutes of the meeting held on 10 April 2018 were taken as read and signed by the Chair as correct.

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DECLARATIONS OF INTEREST

Minute 57 - Councillor Leadbetter declared an interest as the Devon County Council Cabinet Member for Adult Social Care and Health Services.

No declarations of disclosable pecuniary interest were made.

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THE BUILD SPORT AND LEISURE FACILITIES

The report of the Director (JY) was submitted which recommended the permanent closure of Clifton Hill Sports Centre and requested a total budget of £3,000,000 to fund an interim plan for consolidating and investing in existing built sports and leisure facilities to improve and update the current offer to citizens.

The Director (JY) gave a presentation to Members (attached to minutes) which advised of the:-

- context
- usage summary
- environmental concerns prior to Storm Emma
- damage as a result of Storm Emma
- reasons why repair was not being recommended
- what has happened to the current users
- the proposal which included investing in the upgrading of Riverside Swimming Pool and Leisure Centre, Wonford Sports Centre, Exeter Arena and ISCA Centre
- what the proposal does and the overall Physical Activity Strategy for the city
- the options available to the Council and the potential costs
- the importance of engaging with the local community and improving access to all city wide sports facilities.

The Leader thanked the Director for her comprehensive and informative presentation. He advised that as the future of the Council's Built Sports and Leisure Facilities was a key issue all Councillors should be given the opportunity to input into the decision. He proposed the final decision on matters under consideration be taken by Council on 13 June 2018. Members had been circulated copies of all the comments received from members of the public which included a petition close to having 1,500 signatures.

The Leader continued that in order to mitigate against some of the loss facilities to the local community and to provide spaces for local residents to come together and to support families to use Belmont Park to be active together, he proposed the following additional recommendation.

'To recommend to Council that it allocates up to £150,000 to Newtown Community Association for the new Community Building being planned in Belmont Park with a further £50,000 being provided to enhance facilities in Belmont Park'.

Councillor M Vizard, having given notice until Standing Order no.44, spoke on the item. He raised the following points:-

- thanked the Leader for his proposed additional recommendation which if agreed, would help towards the development of a Community Building which would be positive for the ward
- raised the issue of the financial pressure the Council was under with a reduction in the Central Government grant of £7.24 million (60%) since 2010 and the need to protect front line services
- supported development of St Sidwell's Point which would provide excellent sports and leisure facilities
- was raising local residents' concerns regarding the loss of a valuable community facility and sports hall that was used by the young and old
- was concerned that there was no formal consultation and asked that a presentation be made to the local residents to explain the issues
- there was a need to address the health and wellbeing of the residents in Newtown
- look into possible use of other local amenities such as the St Luke's University Campus
- investigate how transport links could be improved from the area to the other sports facilities in the city
- future use of the site and its impact on the area with the potential loss of green space
- closure could have a negative impact on an area with very high deprivation
- was essential that local residents were consulted on any proposals for the site going forward.

Councillor N Vizard, having given notice until Standing Order no.44, spoke on the item. She raised the following points:-

- thanked local residents for taking the time to raise their objections and concerns with Councillors and drew attention to some of the points they raised
- why had there not been more formal public consultation? This had also been raised by the Local County Councillor
- welcomed the Director's comments regarding investigating the use of other local facilities in the area
- concerns regarding the loss of green space if the site was sold off

- closure would have a negative impact on the health and wellbeing of local residents
- some residents could not travel to the other city sports centres, so what facilities would fill the gap until St Sidwell's Point was built?
- the decision should be delayed until an audit on need for facilities in the area had been undertaken
- the Newtown Community was forfeiting its facilities for the rest of the city
- what would be the cost to rebuild Clifton Hill Sport Centre?
- what partners could provide alternative sports hall facilities?
- if the site was sold off any proposal should work for the city and local residents and include the right type of housing
- would the golf driving range be redeveloped?
- one local resident had stated that Clifton Hill Sports Centre was not fit for purpose and more green space was needed for recreation
- applauded the work of the Director to improve the Health and Wellbeing of residents of the city.

Councillor Branston, having given notice until Standing Order no.44, spoke on the item. He raised the following points:-

- supported the points raised by Councillors M Vizard and N Vizard
- whilst appreciating that the proposals would enhance the customer experience at other sports facilities in the city, not all the local residents could travel to an alternative centre
- concerns around the attendance percentages in the report - there were no real hard figures
- Newtown was an area with high deprivation
- must not lose sight of the impact this closure would have on local residents
- Community facilities were vital to provide recreation for all ages ranges
- received three letters, two from residents with a disabled child who used and valued the centre and one from a Doctor who referred patients to the centre
- concern that the Council's decision could be challenged.

Councillor Mrs Henson, having given notice until Standing Order no.44, spoke on the item. She raised the following points:-

- acknowledged that the report was thorough
- the Council should have never got to this situation
- when was the decision taken not to invest in the Council's existing sports facilities?
- concern regarding the validity of the Council's building insurance due to lack of maintenance
- why was the lack of investment in the building not reported as a risk to the Audit & Governance Committee or picked up by the External Auditors?
- any future use of the site would be limited given the previous use of part of the site and research undertaken by the University that solid rock was not found until 30 metres underground.

The Leader stated that to demolish Clifton Hill Sport's Centre was the most cost effective option given the estimate to repair the facility and that St Sidwell's Point would provide the area and the city with an excellent new sports facility. He acknowledged that this was not an easy decision to be made but the Council had to look at its overall financial position given its limited budgets.

The Portfolio Holder for Health and Wellbeing, Communities and Sport seconded the Leader's recommendation. He commented that:-

- this was a difficult decision to make

- Clifton Hill had featured in the Council's emerging Physical Activity Strategy interim plans
- recognised the facility was valued by the community
- the Council was working on the Build Sport and Leisure Strategy and this included all aspects of physical activity
- the Council had been chosen as a Sport England Pilot area and was committed to getting 10,000 people more active in the next few years
- the Newtown ward would have a new flag ship leisure facility with St Sidwell's Point which could be used by all
- the community would be invited to bring to the Council's attention other facilities across the city which could be used for sport and community hubs
- the long term plans to improve all the other sport facilities in the city included looking at the possibility of replacing the Northbrook Swimming Pool with a community pool on the Arena site
- the Council could not provide sports facilities in all wards but the city had good transport links
- the use of open space for physical activity should be encouraged
- the Council had been working hard to provide alternative options in the area and the Leader had proposed an additional £200,000 towards the new community building and enhancement of Belmont Park
- the Council would work with local communities to help them develop the use of community buildings for sports activities as had happened in Topsham
- the Council recognised that the city would need a new sports hall and would work with the University and Exeter College to see if the community could make use of their facilities
- any development of the site would be subject to consultation
- all must recognise the bigger picture with the development of sports facilities across the city.

During discussion Members raised the following points:-

- had to consider the impact of the loss of the facility on local community and the loss of a sports hall
- overall usage of the facility was low
- work was being undertaken with partners to access other sports facilities in the city
- full consideration would be given to the future use of the site which would be subject to consultation
- loss of Central Government Funding was not without impact
- welcomed the additional proposal for funds to improve the community facilities in the area
- the need to look at the Physical Activity Strategy for the whole of the city
- the area had high deprivation levels
- acknowledged this was a difficult decision.

One Member commented that the St Sidwell's Point would not be a like for like replacement and would not be built for a couple of years. There was public objection, over 1500 had signed a petition against the closure of Clifton Hill Sports Centre and the replacement or repair of the centre should be investigated.

The Leader recognised that this was a difficult decision to take but that the building of St Sidwell's Point was on course. He clarified that there would be green spaces maintained on the site as part of the site was on contaminated land and could not be built on; The Director would be asked to convene a meeting with the Newtown Community Association to help address their concerns and aspirations; and the

Council would work with local groups to help them find alternative facilities for physical activity.

RECOMMENDED that Council approves that:-

- (1) Clifton Hill Sports Centre be permanently closed on cost /best value grounds;
- (2) Clifton Hill Sport Centre be sold to generate a capital receipt to offset compensation costs and provide investment for other Council priorities including the development and improvement of other leisure sites;
- (3) Delegated authority be given to the City Surveyor to include the sale of the adjacent driving range, ski slope and Exeter Small Bore Rifle Club areas of the Clifton Hill site as a single development site if this offers the best value to the Council.
- (4) Delegated authority be given to the City Surveyor to take necessary steps to ensure the land is used for residential accommodation and not used for purpose built student accommodation.
- (5) an estimated budgeted loss of revenue income and VAT £100,000 be noted;
- (6) the operator be supported with its proposal to repackage and reframe the city wide leisure offer reducing by the price for a cross city offer which provides access to all facilities built at a proposed monthly membership fee of £25.00. (Currently at £35.65 per month); and
- (7) the development of Physical Activity and Built Facilities strategies be agreed setting out the longer term sustainability and development plans for Riverside Swimming Pool and Leisure Centre, Wonford Sports Centre; Exeter Arena and ISCA Centre; Northbrook Swimming Pool and Northbrook Golf Course.

(In accordance with Standing Order no.43, Councillor Leadbetter requested that his voting against these recommendations be recorded)

RECOMMENDED that Council approves:-

- (8) A budget of up to £2,000,000 for essential enhancements to the fabric of the buildings and replacement of essential plant and mechanical systems at Exeter Arena, Wonford Sports Centre and Riverside Swimming Pool and Leisure Centre;
- (9) A budget of £880,000 for additional enhancements to the interiors and facilities at Exeter Arena, Wonford Sports Centre and Riverside Swimming Pool and Leisure Centre to improve the customer experience and mitigate against the loss of facilities at Clifton Hill Sports Centre;
- (10) A budget of up to £150,000 to demolish Clifton Hill Sports Centre to secure the site and avoid incurring Business Rates and other unbudgeted revenue costs;
- (11) Delegated authority be given to the relevant Director to negotiate and agree the contractual compensation payment to be paid to the Leisure Operator as a result of the closure of Clifton Hill, to be funded from a Leisure earmarked reserve; and

- (12) a budget of up to £150,000 be allocated to Newtown Community Association for the new Community Building being planned in Belmont Park with a further £50,000 being provided to enhance facilities in Belmont Park.

(In accordance with Standing Order no.43, Councillor Leadbetter requested that his voting against these recommendations be recorded)

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FINANCIAL ASSISTANCE POLICY FOR THE BETTER CARE FUND

Councillor Leadbetter declared an interest as the Devon County Council Cabinet Member for Adult Social Care and Health Services.

The Director (JY) presented the report on a revised Financial Assistance Policy under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to ensure policies were in place to maximise grant spending of the Council's Better Care Fund allocation. The policy had been developed by both the County and District Councils to ensure a consistent approach across Devon.

Members were advised that this policy would enable the Council to broaden its ability to provide financial assistance to individuals who did not qualify for the mandatory Disabled Facilities Grant. This would maximise the use of the funding and enable vulnerable individuals to remain safe in their own homes.

The Portfolio Holder for People welcomed the policy which would support vulnerable people to be able to remain in their own homes.

People Scrutiny Committee considered the report at its meeting on 7 June 2018 and its comments were reported.

RECOMMENDED that Council adopt the Financial Assistance Policy in order to ensure increased funding provided via the Better Care Fund is delivered to those who have not previously been able to obtain financial assistance.

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ADDITIONAL FUNDING FOR BRIDGE REPLACEMENT AND REPAIR

The Director (DB) presented the report which sought approval for additional funding for the replacement of the Exeter City Council owned Kings Arms Bridge. He advised that the initial estimate provided had been based on a like for like replacement and had not fully recognised all the technical aspects which would need to be considered.

Members discussed the need to ensure that estimates were robust and that the Council was attaining value for money when appointing consultants to quote on works required.

The Director clarified the position with regards to a robust Procurement Framework being put in place for the future.

RECOMMENDED that Council approve an additional budget of £250,000 to fabricate and install a replacement of the Kings Arms Bridge to meet all current safety standards.

TRANSFORMATIONAL BUDGET - FIRST TRANCHE OF PROPOSED PROJECTS

The Chief Finance Officer presented the report examining the first tranche of proposed projects to be funded by the transformation budget and sought approval to assign funding to the projects to commence their delivery.

Members were advised that with the requirement of the Council to save £2.75 million over the next two years the aim of both of the funds was to provide either ongoing reductions in service budgets or future long term income streams. He explained the reason for recommending delegated powers would ensure opportunities were not missed due to the Committee cycle of meetings. He confirmed that any commercial investment would be within the city.

Members supported the way forward which would help to address the short fall in the Council's budgets and recognised that, without the delegated powers, the Council could miss out on investment opportunities.

In response to Members, the Chief Finance Officer clarified that a notification mechanism to advise Members of decisions to be taken would be worked through.

RECOMMENDED that Council:-

- (1) approves the allocation of funding from the Transformation Reserve;
- (2) delegates authority to the Chief Executive & Growth Director, in consultation with the Chief Finance Officer and Leader of the Council, to allocate resources up to £1.5 million funded by an Earmarked Reserve, to support transformation and other projects that will support the Council in delivering £2.75 million in savings over the next two years;
- (3) approves a Capital Budget of up to £10 million to enable commercial opportunities to be progressed; and
- (4) delegates authority to the Chief Finance Officer in consultation with the Director for Place, the Leader of the Council and the Portfolio Holder for Place and Commercialisation to award funds against the Commercialisation Capital budget of £10 million.

60 **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC**

RESOLVED that under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1,2, 3 and 4 of Part 1, Schedule 12A of the Act.

THE BUILD SPORT AND LEISURE FACILITIES

See Minute 56 above.

MRF STAFF STRUCTURE

The Cleansing & Fleet Manager presented the report seeking formal approval for a minor restructure in the Materials Reclamation Facility. Executive had given its preliminary approval to this in February 2018 and the consultation process had been undertaken in accordance with the Organisational Change Policy.

RESOLVED that the following be approved;

- (1) the removal of the post of MRF Plant Assistant; and
- (2) the addition of the new post of MRF Team Leader.

COMMUNICATIONS, TOURISM AND CULTURE RESTRUCTURE

The Director of Communications and Marketing presented the final business case for the review and restructure of the teams working under Communications and Marketing, Visit Exeter and Events. Members were advised on the minor changes as a result of the consultation.

RESOLVED that:-

- (1) the business case for the restructure, as set out in the circulated report, be approved;
- (2) the Director of Communications and Marketing be authorised to proceed in accordance with the Council's Organisational Change Policy;
- (3) it be noted that this report was reflective of consultation with staff, Human Resources and Unions in terms of job descriptions, line management and reporting structure; and
- (4) the key changes between the initial report to Executive and the final report as reported be noted.

ADDITIONAL RESOURCES - FINANCE

The Chief Finance Officer provided a business case for the restructure of Finance which would be undertaken in accordance with the Organisational Change Policy.

Members supported the way forward.

RESOLVED that the Chief Finance Officer be authorised to proceed to the first consultation stage in accordance with the Council's Organisational Change Policy.

(The meeting commenced at 5.30 pm and closed at 8.20 pm)

Chair

The decisions indicated will normally come into force 5 working days after publication of the Statement of Decisions unless called in by a Scrutiny Committee. Where the matter in question is urgent, the decision will come into force immediately. Decisions regarding the policy framework or

corporate objectives or otherwise outside the remit of the Executive will be considered by Council on 13 June and 24 July 2018.

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Summary
Built Sports and Leisure Facilities
Member Briefing
Consolidation and Investment Plan
June 2018

Context

Current built sports and leisure facilities estate in poor condition due to age with a backlog of maintenance and repairs impacting on the quality of offer for customers.

Riverside fire (January 2017) has had a significant impact on operator revenue and participation rates: pool scheduled to re-open September 2018.

Refurbishment of Pyramids swimming pool to ensure that it able to function until planned closure in 2020 will be completed by September 2018.

Our estate issues and influx in budget gyms in and around the City has impacted on participation and membership in Council facilities in terms of both price and quality of equipment and the environment.

Leisure contract due to be tendered in 2020 is at risk due to state of current stock, revenue and customer experience.

About Clifton Hill Sports Centre

Built in 1984: life expectancy of 25 years

4 court sports hall

2 squash courts

40 station gym

Small fitness studio

Male and female changing facilities

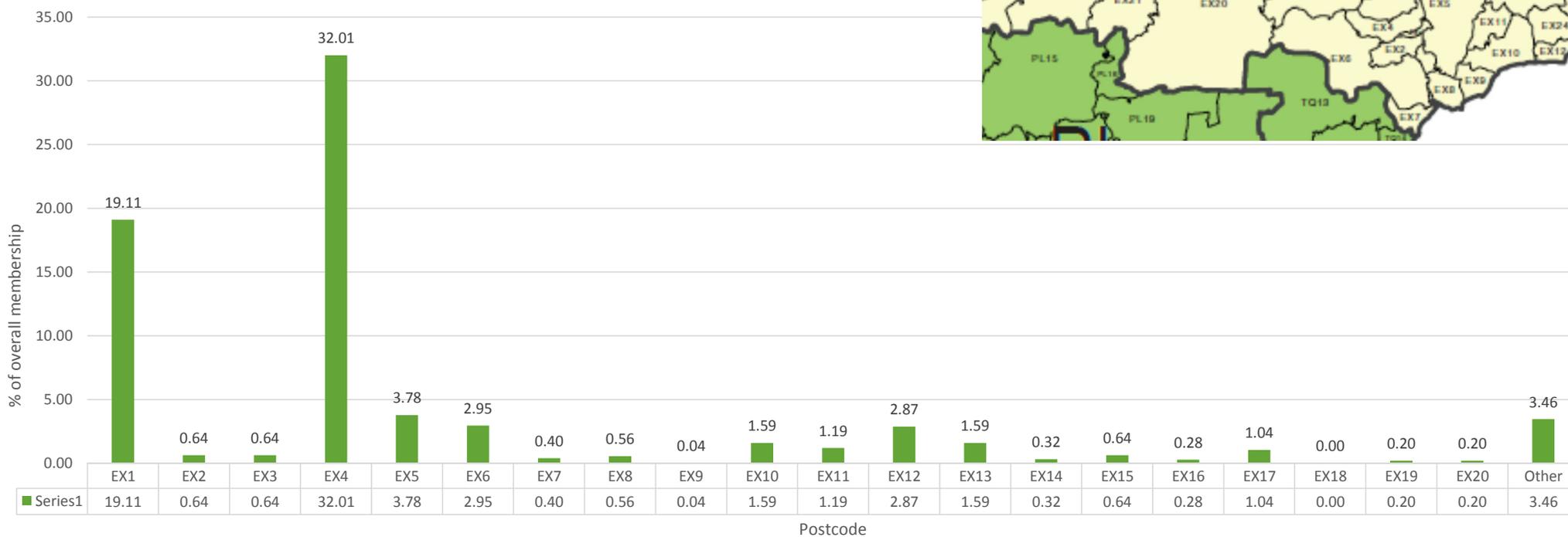


Very much a local facility



Clifton Hill Membership by post code

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Centre users as at March 2018

Opening times: 16 hrs a day Mon-Fri: 13 1/2 hours on Sat & 14 1/2 hours on Sunday = 108 hrs per week

Membership base of 800 to 850

Gym average of 125 customer visits to the gym per day = 8 people per hour.

Sports Hall/Studio usage

Monday: 9 group bookings max 129 people

Tuesday: 8 group bookings max 133 people

Wednesday: 6 group bookings max 158 people

Thursday: 10 group bookings max 129 people

Friday: 5 group bookings max 113 people

Saturday: 5 group bookings max 136 people

Sunday: 4 group bookings max 40 people

4 party slots per day max 10 people in each slot

Squash Court usage

Average 80 squash players use the 2 squash courts a week which averages 6 per court per day.

Usage summary

Membership numbers and income (for the operator) is in decline: 20% reduction in membership from 2016-2017

Occupancy levels in sports hall is between 25 and 27%: significantly below industry benchmarks of 60-70% in peak times

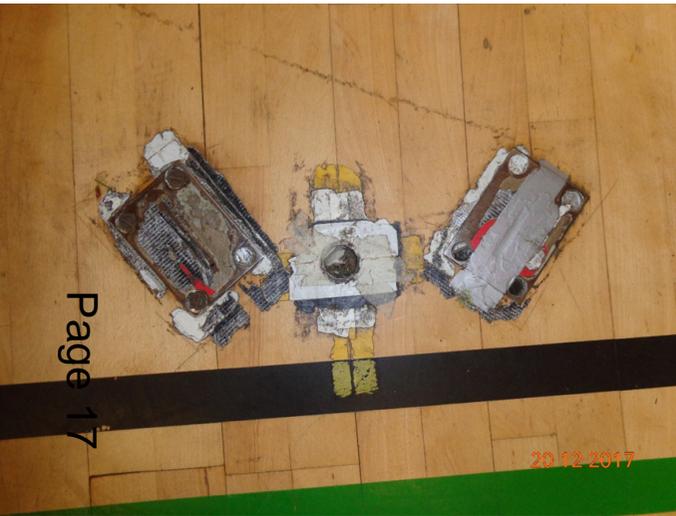
Squash courts operate way below industry standards which are themselves recognised as being relatively low income and usage for the space

Gym has performed within industry benchmarks

Little opportunity for secondary income: no café, meeting rooms, social or retail space

Operator runs the centre at a loss

Environmental concerns prior to Storm Emma



Environmental concerns prior to Storm Emma

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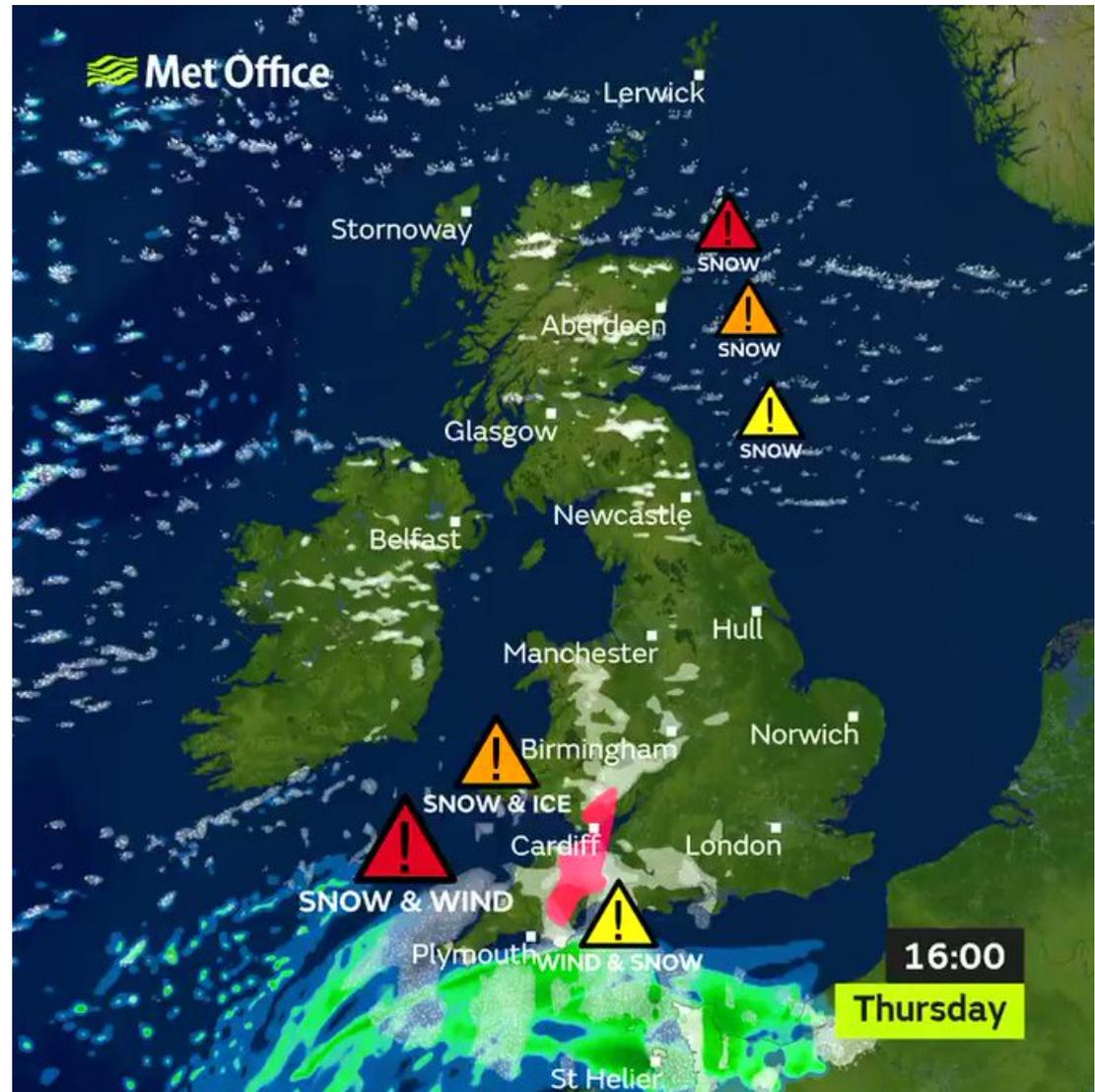


March 2018 Storm Emma

Impact of unprecedented snowfall in March 2018 has rendered the Clifton Hill Sport Centre unsuitable for public use. Damage and loss of income caused by water ingress is highly unlikely to be covered under the Councils insurance policy

RED snow warnings are issued when it is highly likely that the weather will cause a high level of impact.

This was the 2nd **RED** snow warning issued this week but only the 3rd the Met Office has issued since the current warning system came into force in 2011 and 1st ever **RED** snow warning for South West England.

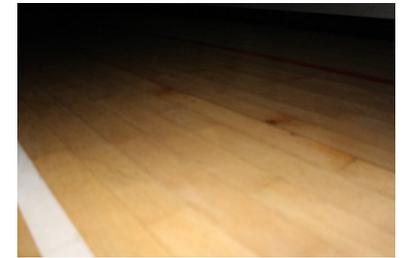


Interior damage: ceilings, electrical and mechanical systems

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Interior damage: general, flooring, equipment facilities



Why is repair not being recommended?

Already outlived its expected life span by @ 10 years.

Backlog of maintenance and repairs estimated in region of £500k.

Roof now beyond repair: estimated cost of replacement @£1million.

High risk of escalating costs due to style of construction and requirements of modern building standards.

High risk of further damage to membership income/reputation/contract as likely to be off line for 9-12 months.

Will not extend expected lifespan.

SSP opens in Dec 2020.

What's happened to current users?

Memberships transferred to Riverside by LL

April membership fee holiday

Capacity at Pyramids and Riverside Gyms

Classes transferred where possible to studio space at Riverside

Fees and charges at alternative facilities matched

Alternative sport hall facilities offered by partners

Individuals and groups contacting LL or Council are being supported

Not “like for like” offer but there are alternatives for many

The proposal

1. Permanent closure of Clifton Hill Sports Centre
2. Sale of the site to raise capital to fund council priorities including long term development of Wonford Sports Centre, Arena and ISCA Centre and Riverside Leisure Centre
3. £2,000,000 to improve buildings and replacement of essential plant and mechanical systems at Wonford Sports Centre, Arena and ISCA Centre and Riverside Leisure Centre to mitigate against any further deterioration
4. £880,000 enhancements to the interiors and facilities at Wonford Sports Centre, Arena and ISCA Centre and Riverside Leisure Centre to improve customer experience and mitigate loss of facilities at Clifton Hill Sports Centre.



Riverside
new
changing
area and
showers



Riverside
New Studio
and Spin
Bikes +
Virtual
Technology +
gym
extension





ISCA centre new gym with spin cycles, virtual technology, improved showers and changing rooms

Wonford redecorated weights room, gym, new studio, virtual technology and resurfaced pitch



Provision Following Consolidation and Investment Plan

	Riverside	Pyramids	Wonford	Exeter Arena & ISCA Centre	Total	Change
Gym Stations	130	40	33	50	253	+20
Swimming Pool	25m	25m	No	No	2	0
Sports Hall	1	No	1	No	2	-1
Squash Courts	2	No	No	No	2	-2
Dance Studio	3	No	1	1	5	+2
Sauna	Yes	Yes	Yes	Yes	4	0
Health Suite	Yes	No	No	No	1	0
Spin Studio	40 bikes	No	6-8 bikes	16 bikes	60-62	+60-62
Virtual Tech	Yes	No	Yes	Yes	3	+3
Other	New café Refurbished changing area and showers		Refurbished Free Weights Room Reinstated 5 a side pitch	New Gym & showers Athletics Track Field Physiotherapy Room		

What this proposal does

Takes a strategic view and sets out a set of proposals designed to:

1. Consolidate and improve the Councils current sport and leisure offer.
2. Enable the current provider to update and improve the membership offer, improve reputation and compete with private sector providers: increase membership numbers, participation rates and customer experience.
3. Mitigate against the current operator varying the contract resulting in increase cost/reputation damage.
4. Improve position in market place in preparation for new contract awards.
5. Secure improved quality whilst longer term strategic plans are developed for re-provision of facilities : Physical Activity Strategy and Sport England Local Delivery Pilot.
6. Provides a capital funding stream to support investment priorities

Physical Activity

Improving population health and wellbeing

Reducing health inequalities

Promoting community resilience

Increasing active travel

**Built Sports and
Leisure Facilities**

**Pitches and
Playing Fields**

**Parks,
Playgrounds
and Open
Spaces**

**Sports
Development**

Decision to permanently close is delayed/deferred



CHSC remains closed
Membership numbers decline

Contract at risk

Costs to Council will rise through contract variation payments due to operator

Potential negative impact on future procurement (sept2020)

£2million still needed for Wonford/Riverside and Arena sites that remain at risk due to environmental factors

Decision is made to re-open CHSC

£1 million will need to be found to fund repair plus 9-12 months refurbishment period

Decision to permanently close and sell site is made



Secures £2million funding to sustain city-wide provision and longer term funding stream for other priority developments

Wonford/Riverside and Arena Improvements completed by Dec 2018 membership and participation rates improve

Clarity for new operator procurement

Strategic plans developed for longer investment through Physical Activity Strategy Feb 2019