

# NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

**CABINET – TUESDAY, 12 NOVEMBER 2019**

Title of report	<b>INVESTMENT INTO COMMUNITY LEISURE</b>
Key Decision	a) Financial Yes b) Community Yes
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Purpose of report	To update Cabinet on progress of the application process for investment into community leisure provision, and seek approval to allocate funding
Reason for decision	To allow investment into community leisure projects to progress
Council priorities	Our communities are safe, healthy and connected
Implications:	Links to the Leisure Project and Health and Wellbeing Strategy
Financial/Staff	<p>The budget allocated is £1,014,405.74. All expenditure is funded by the VAT reclaim from HMRC regarding sporting services delivered by local authorities.</p> <p>To support project delivery, also funded by the VAT reclaim, a 3 day per week Community Leisure Development Officer will be appointed on a temporary 3 year contract.</p>
Health and Safety	None
Risk Management	To be considered as part of the project management
Equalities Impact Screening	To be considered as part of the project management
Human Rights	None
Transformational Government	None

Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Deputy Monitoring Officer	The report is satisfactory
Consultees	Head of Community Services, Financial Services Business Partner, Leisure Services Team Manager, Community Focus Team Leader, Community Leisure Development Officers, Measham Leisure Centre Management Committee, Ibstock Community College Business Manager, Castle Donington College Business Manager
Background papers	<a href="#">Cabinet Minutes February 2019</a> <a href="#">Health and Wellbeing Strategy 2018</a>
Recommendations	<p><b>THAT CABINET:</b></p> <ol style="list-style-type: none"> <li><b>1. SUPPORTS THE PROPOSED INVESTMENT INTO MEASHAM LEISURE CENTRE AND IBSTOCK COMMUNITY COLLEGE LEISURE COMPLEX</b></li> <li><b>2. SUPPORTS THE PROPOSAL FOR THE DEVELOPMENT AT CASTLE DONINGTON COLLEGE AND NOTES THAT IT WILL RECEIVE A FURTHER REPORT TO APPROVE INVESTMENT ONCE PROJECT PROPOSALS HAVE BEEN DEVELOPED</b></li> </ol>

## 1.0 BACKGROUND

- 1.1 A report was taken to [Cabinet in February 2019](#), which received approval to commence a process which would allow investment to improve the community leisure fitness suite provision at Measham Leisure Centre, Ibstock Community College Leisure Complex, and Castle Donington College. This investment would be funded by the VAT reclaim from HMRC (Her Majesty's Revenue and Customs) following the European Court of Justice ruling that local authorities delivering sporting services should be exempt from Value Added Tax in a number of areas that were previously classed as vatable. It was anticipated that the reclaim would be approximately £1 million.
- 1.2 Cabinet approved for the £1 million be allocated to community leisure in the following manner;

Upto £90,000	Community Leisure Development Officer
£910,000 or more	Community Leisure Fitness Suite Provision
Underspends	Other Identified Community Leisure Provision

## 2.0 FINANCIAL IMPLICATIONS

2.1 The amount of the VAT reclaim was confirmed in April to be £1,014,405.74.

2.2 The table below highlights the allocation of this;

Item	Cost
Ernst and Young LLP Fees	£18,400
Community Leisure Investment	£921,000
Community Leisure Development Officer	£54,732
Community Access to Grass Pitches at Castle Donington College	£20,000
<b>TOTAL</b>	<b>£1,014,132</b>

## 3.0 PROGRESS TO DATE

3.1 Following Cabinet approval, the application process commenced with submissions being received by Measham Leisure Centre, Ibstock Community College and Castle Donington College. However, the total of all 3 applications significantly exceeded the £921,000 funding available. In addition, each individual application was in excess of £307,000, or one third of the total funding available. Consequently, it was decided to allocate the funding equally across all 3 projects (£307,000 per project), and to ask the applicants to revisit their proposals to ensure they could be delivered within budget.

## 4.0 MEASHAM LEISURE CENTRE (MLC) AND IBSTOCK COMMUNITY COLLEGE LEISURE COMPLEX (ICC)

4.1 Both MLC and ICC have evidenced that their proposed projects can be delivered within budget.

4.2 The proposal at MLC is to extend the existing fitness suite. This would allow for an additional 16 fitness stations, and all existing equipment will be replaced with brand new leased equipment. The proposals can be seen at **Appendix 1**. The anticipated budget cost of the development is £307,000 and this covers the build costs, professional fees, and an element covering the potential leasing costs for equipment.

4.3 The proposal at ICC is to replace the portacabin that houses the existing fitness equipment with a purpose built fitness suite. All existing equipment will be replaced with brand new leased equipment which will allow for more stations than are currently provided.

The proposals can be seen at **Appendix 2**. The anticipated budget cost of the development is £305,697 and this covers the build cost and professional fees.

- 4.4 As part of their applications, both MLC and ICC highlighted that they were happy to use any profit generated to reduce the investment NWLDC currently funds within each of the partnerships. At MLC this would be to offset the salary of the Community Leisure Officer which is currently funded by NWLDC, and at ICC it would be to reduce the annual funding allocated to the partnership by NWLDC. However, both requested that this be considered following delivery of the projects so the amounts could be based on actual profits generated rather than budgeted or proposed figures which may not be fully realised. Officers are supportive of this approach.
- 4.5 If approved, funding will be allocated direct to both MLC and ICC and they will be responsible for the project management of the developments. NWLDC officers will support as part of the project teams and appropriate grant agreements will be put in place to support monitoring and oversight.
- 4.6 It is proposed that Cabinet approve the funding allocation to these 2 schemes.

## **5.0 CASTLE DONINGTON COLLEGE (CDC)**

- 5.1 As part of the partnership arrangement, there are facilities at CDC that NWLDC own as an asset or are responsible for. This includes the portacabin within which the fitness equipment is located, and the fitness equipment itself.
- 5.2 Currently, all income generated from the fitness suite is retained by NWLDC and it contributes towards the general cost of the partnership to the council.
- 5.3 As well as this, the school has been identified as a potential hub of community sport and physical activity. In partnership with CDC and Castle Donington Parish Council (CDPC), NWLDC officers are facilitating the opening up of the grass pitches at the site for community access to help meet an excess of demand. This requires financial investment of £20,000 to ensure that both the pitches and changing rooms are up to standard for community use.
- 5.4 In addition, the school has been highlighted through both the Playing Pitch Strategy and the Football Association Local Football Facilities Plan as a high priority location for a full sized 3G pitch, and both CDC and CDPC are keen to have a sports hall on site as well. The parish council have section 106 funding which they may be prepared to use to support these developments.
- 5.5 Consequently, at this moment in time there is no desire to transfer any of NWLDC's assets to the school or to change the current financial arrangements of the partnership. Therefore it is proposed that NWLDC officers lead on the fitness suite development at CDC so that NWLDC can retain this as an asset and retain any associated additional income. The scheme can be planned to allow for additional on site developments and can be future proofed accordingly. NWLDC officers can continue to co-ordinate developments with CDC and CDPC to ensure a partnership approach. CDC are supportive of this proposal.
- 5.6 It is also proposed that once a proposal for a new fitness suite has been developed, a further report will go to Cabinet seeking approval for funding to be allocated to this project.

- 5.7 If funding is approved, then NWLDC officers will manage the project. A project team will be established with representation from Leisure Services, Property Services and the school. Property Services have been engaged and are supportive of leading on such a project.

**6.0 COMMUNITY LEISURE DEVELOPMENT OFFICER**

- 6.1 This will be a 3 day per week post on a 3 year temporary contract that will be responsible for the following-:
- Supporting partners and stakeholders in the delivery of the projects
  - Supporting Community Leisure Managers in developing marketing and business plans for the new facilities
  - Supporting Community Leisure Managers in the delivery and sustainability of the new facilities
  - To develop a new NWL fitness membership package
  - Review and revise service level agreements with community leisure partners to accurately reflect community access arrangements for the new facilities
- 6.2 The post is currently out to advert.