APSE Sports & Leisure Management Advisory Group

Maximising Commercial opportunities across Leisure and Cultural Assets



Tuesday 10th October 2017

Richard Shwe, Deputy Chief Executive (Commercial & Development) St Albans City & District Council



Commercial & Development

Department Guiding Principles

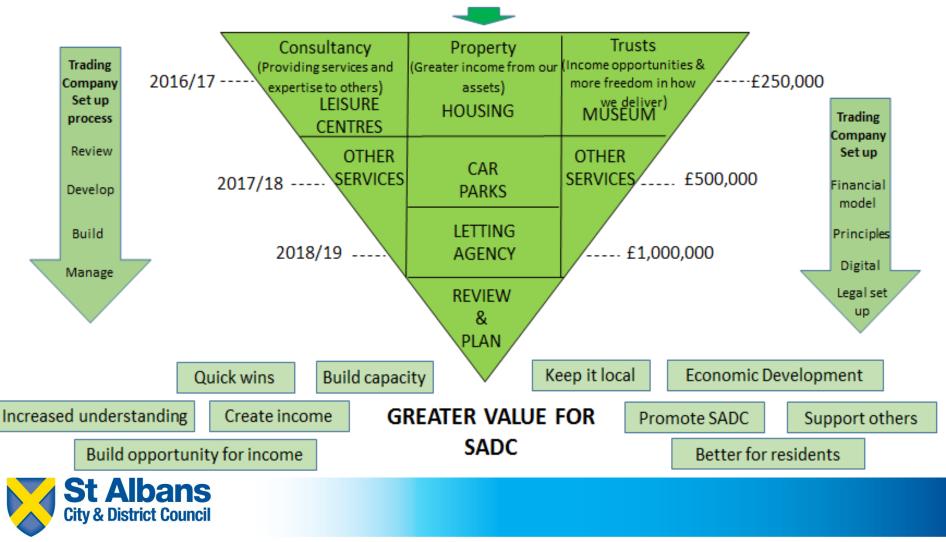
These are the department's five guiding principles

- 1. Invest or develop, if for public good
- 2. Sweat the assets
- 3. Invest in maintenance (whole life costs)
- 4. Lead by example
- 5. Accept calculated risk



Commercial and Development strands

SADC Staff - Volunteers - Partners - Contractors - Commercial Awareness



Enhancing the commercial value of Leisure Centre stock



Building a new a 21st Century Leisure Centre



ISSUES FOR FEASIBILITY STUDY

- To use a major capital investment in leisure to create local and regional benefits for the local community, businesses and visitors
- The need for co-ordinated objectives and visions from both the Council, Operator, Stakeholder and limited engagement with the Community
- Spectrum of ageing facilities between 25 to 30 years old
- Limited capital investment
- Fragmented maintenance provision
- Client/contractor relationship
- Workload of staff and necessary skills set needed
- Outdated contract & specification
- Community Consultation and Community Engagement is essential



CONSIDERATIONS FOR THE FEASIBILITY ON A NEW LEISURE CENTRE

Key considerations in approaching rationalisation in the facility mix for a new leisure centre :

- >Demonstrate strategic need including supply and demand analysis
- Business case and detailed options appraisal is crucial
- Consider the impact of developments in neighbouring authorities
- Stakeholder and political support
- Community consultation (power of the internet)
- Changes in the local market during project development
- ≻Site specific issues and sensitivities
- ➢Planning and highways
- ➤Continuity of service for users, particularly clubs
- Competitive management operator and building contractor market



21st CENTURY LEISURE CENTRE SWOT

OPPORTUNITY

STRENGTHS

 Well used facility Sports Hall / Emergency Centre Key money spinners – gym membership (sign-ups & renewals) Set high standards for operators Key costs of construction & procurement, project management 	 New facilities for 21st Century Purpose built leisure centre for dry & wet with catering & spa facilities Viable swimming proposal should meet demand not club's performance needs
 WEAKNESSES Dated facilities Roof leaks Poor maintenance Poor gym facilities Mix facilities – not knowing its USP (unique selling point) Too many corridor and circulation spaces not linked to main facilities 	 THREATS Cannot replace like for like Community not involved in plans Old Leisure Centre fails before the new leisure centre opens Too many concepts that has not got business planning considerations Need good project management and contract negotiations with builder



FEASIBILITY STUDY CHARACTERISTICS OF A NEW FACILITY

- Deliver new leisure centre within the available budget and on time
- All sites in the park should be :
 - a well designed, cost efficient and quality building
 - sensitive to planning needs e.g. WLLC (parkland location & needs to compliment its surroundings, and be part of the town's public realm environment)
 - Income generation and flexible spaces, for families, young and older generations
 - A place where everybody likes and architectural pleasing
- Sustainable (energy usage and recycling) min. BREEAM 'Very Good' rating
- Focus on making centres that have whole life costs
- Minimise life-cycle costs
- Fully accessible for people with disabilities DDA compliant
- > Existing leisure centre to remain operational throughout building phases.
- Hard and soft landscaping around old and new leisure centre sites part of a cohesive landscaping design, sensitive to the surrounding park



PROCUREMENT FOR THE FEASIBILITY STUDY

- Traditional Build We buy an architect who designs everything based on the brief we write. We then buy in some one that builds exactly what has been designed.
- Design and Build We buy in a team that designs then builds everything based on a strategic brief that we write.
- Construction Management We buy in and directly manage lots of different teams to directly deliver every element from the design to completion.
- Management of the Facility This can be a second phase procurement or linked to one of the above.
- Cost Benefits from Procurement DO a Joint Venture, Use a construction framework; like SCAPE or PAGABO, Construction Tender which will be OJEU Processed.

RECOMMENDATIONS & NEXT STEPS :-

- Design, Build, Operate & Maintain using a construction framework tender this will reduce the original tender process by 18 months.
- ✓ Explore ability to sell land and the risk involved
- ✓ Engage Project Manager and external team (approx. 5% of capital costs of entire scheme)
- ✓ Transport Impact Assessment
- ✓ Environment Impact Assessment



BALANCED SCORECARD FOR NEW LEISURE CENTRE

Perspectives	Criteria
Financial	• Cash flow • Return on equity • Return on assets
Customer	 Assessment of ability to anticipate customers' needs Effectiveness of customer service practices Percentage of repeat business Quality of communications with customers
Internal Business Processes	 Asset utilization improvements Improvements in employee morale Changes in turnover rates
Learning and Growth	 Improvements in innovation ability Number of new products compared to competitors' Increases in employees' skills



3 NEW LEISURE CENTRES IN 3 YEARS (£35 MILLION)

Westminster Lodge, Verulamium Park replacement of old centre



Batchwood

replacement of burnt down centre

Cotlandswick

replacement and relocation of old centre





3 NEW LEISURE CENTRES IN 3 YEARS (£35 MILLION) CONTINUED

Purpose:

- upgrade poor facilities
- upgrade offering
- generate revenue/reduce subsidy
- deliver quality buildings











Rationalisation plan

New Leisure Centre in the South (London Colney)

- Proposed 'public' leisure provision to include as a minimum:
 - 2 4 badminton court sports hall
 - Multi-purpose room
 - Fitness suite (gym)
 - Male & female dry changing rooms (or other combination)
 - Full size synthetic turf pitch and changing rooms
 - Vending zone
- Supplemented by additional commercial facilities from preferred development partner
- Present centre to remain open until the new centre has been completed and opened to the public.

New Leisure Centre in St. Albans City (WLLC)

- 25mx10 Lane 50% moveable floor
- Learner Pool -17m x10m
- Confidence Water
- Pool Spectator for 250
- Poolside viewing area
- Village style wet side changing
- Fitness Gym 180 stations
- Spa Experience
- Café/ Bistro (75 covers)
- Climbing Wall
- Youth Gym
- Crèche with Soft Play
- Two studios
- Male and Female Fitness Suite Changing
- Club / Recreational standard 4 Court Sports Hall
- Male and Female dryside (Sports Hall) changing



Funding & affordability

- Closure of three leisure centres to enable the re-finance of the new build:
 - Bricket Wood Sports Centre
 - London Colney Recreation Centre
 - Westminster Lodge Leisure Centre
- Re-development / re-opening of two leisure facilities:
 - Cotlandswick Open Space, London Colney Developer led
 - Westminster Lodge, St Albans in 2007 circa £50M to build
- Funding Proposal:
 - Cotlandswick Sec 106, Private Sector, other sources
- Procurement Route:
 - Cotlandswick Developer led / Operator subject to development proposals
 - New Westminster Lodge Design & Build, RIBA Stage E



Lessons learned

- Demonstrate strategic need including supply and demand analysis
- Business case and detailed options appraisal is crucial
- Consider the impact of developments in neighbouring authorities
- Stakeholder and political support
- Community consultation (power of the internet)
- Changes in the local market during project development
- Site specific issues and sensitivities
- Planning and highways
- Continuity of service for users, can't please all sports clubs all the time.
- Competitive management operator and building contractor market.
- Key cost of construction interplay of elemental costs, value engineering, watch savings hitting lifetime costs, watch over-specification,
- Procurement Value of frameworks
- Need to manage the cost of control of new build "A good project manager is worth their weight in gold"



Establishing commercial ventures within Town Hall facilities







The St Albans challenge

- Maintain, enhance and showcase history
- Sensitive physical regeneration and public realm
- Increase economic viability and vibrancy
- Enable community engagement and leadership



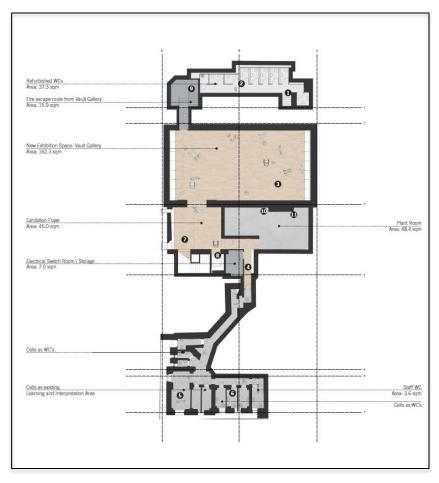


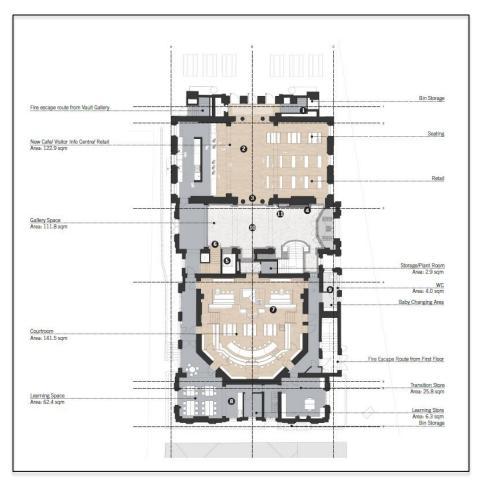
New Museum & Gallery Project

- Centre of Mediaeval city
- Iconic building (Grade II* listed)
- Planning challenge but....
- Chance to show off Assembly rooms / Court House / Cells
- Chance to breath life back into building
- Cultural use for valued heritage asset
- Combine Tourist Information Centre and Museum front of house
- Regeneration visitor draw right in retail centre









Basement

Ground Floor



Section View – New Museum, Long View







Artist's Impression Basement Toilets - Stage C



Profit-making: From Public Conveniences to Coffee shops





Public Conveniences

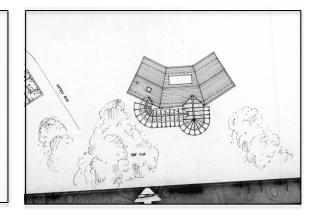
- 'Cash cow' facilities
- Lost leader on cost high maintenance
- Increase in graffiti and community anti-social behaviour



Verdi's

- The Council was losing approximately £7,000 per annum as the property was not generating income as a public convenience.
- Now receive an income of £13,080 per annum (from 24 June 2011)
- A rent review is due, and it is anticipated that this figure will increase.









Inn on the Park

- Costing the Council £40,000 per annum as a public convenience
- Now receive an income of £90,000 per annum in rent as a local café





Developing a physical activity strategy to raise participation levels county-wide

Tom Burton and Chris Gregory

Tuesday 10th October 2017





An introduction to the Buckinghamshire Physical Activity Strategy 2018-2023

A National Ambition

- Everybody active, every day: An evidence-based approach to physical activity (PHE, Oct 2014)
- Sporting futures: A strategy for an Active Nation (Dec 2015)
- Towards an Active Nation 2016-2021 (Sport England)





A Local Ambition

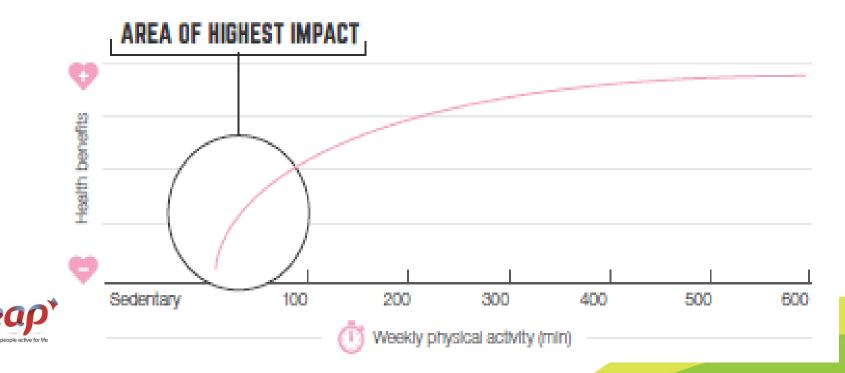
- Bucks: approx. 520k people; two-tier authority; ageing population; significant commuting into London from south of county; significant patches of rurality; pockets of deprivation – still 20% of adults who are inactive and another 10% who aren't active enough for good health
- Priority for the Bucks Health & Wellbeing Board
- Incorporated in local Sustainability and Transformation Plan (STP) and links with 'BOB'
- Physical Activity Strategy 2014-17 (18)





A Local Ambition

- Aims: Reduce inactivity
 - Increase those achieving CMO guidelines



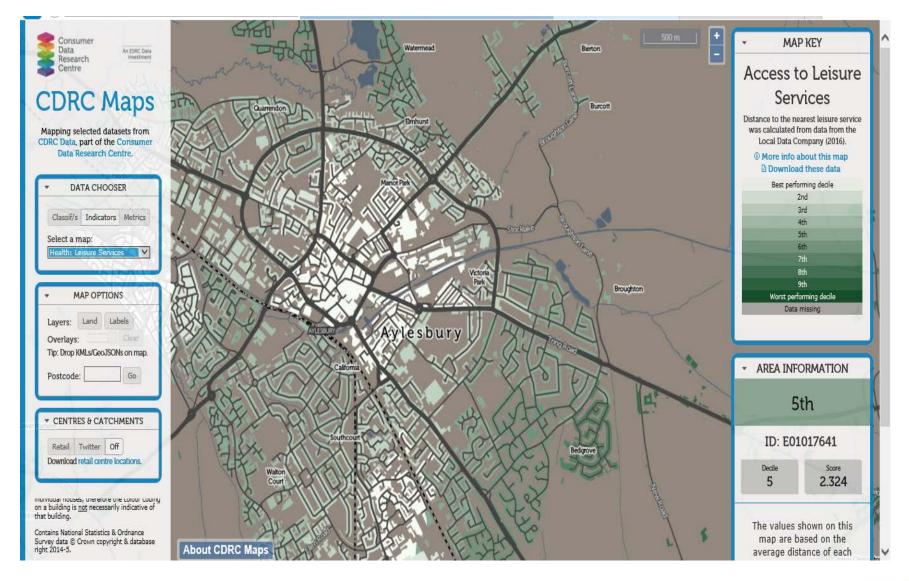


A Local Ambition

- Using national policy, evidence and best practice
- Identify key areas for action (Using Data and Intelligence)
- Annual action plan
- Multi-agency Strategy Group with clear governance and accountability
- Practical tools to support stakeholders (PA Profiles; training for evaluation/ROI)



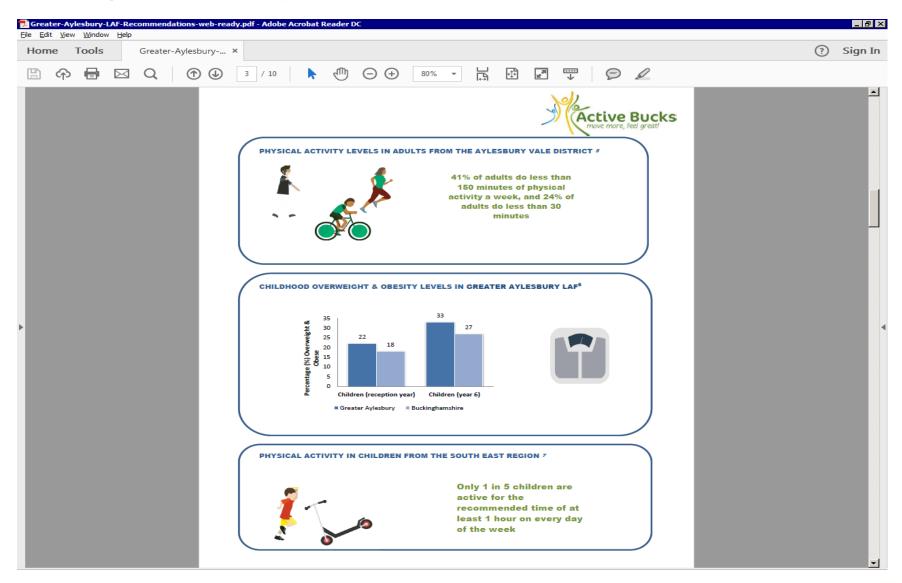




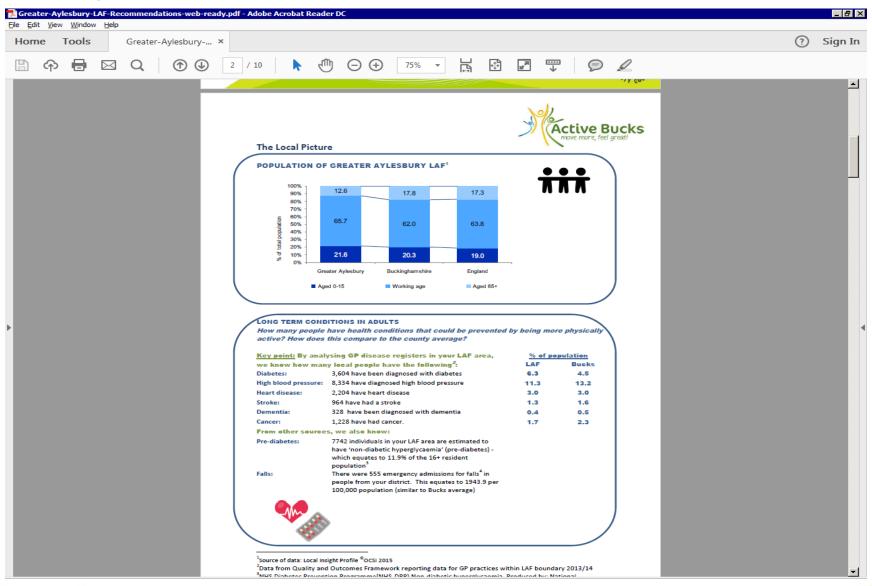


	adatahubclub.com		<u>م</u>			0 0 +			
ວັ ^ດ DataHub							Ĩ	8 🛛 = 🚣	
4g Demo Op Social Value Calculator / Sector Benchmarking									
Contraction Contraction Contr	Account DEMO OPERATO	DR	¢	Sport ALL-ALL					
Data Integrity B League Tables	ed				🗞 All	Add Core Add Moderat	e 👶 infrequent	🕴 Non-Member	
Geo Impacts	Value	SV Index Score	Graphs						
Activity Barometer TOTAL Social Value Calculator	£1,885,590	27%	Total	0k 200k 400	0k 600k 800k	1000k 1200k 140	r a	1 £1,885,590 1 00k 2000k 2200k	
- i Guldance - 6% Filters - 600 SV Dashboard	£655,250	18%	Health	0k 50k 100k	150k 200k 250k	300k 350k 400k 45	0k 500k 550k	1£655,250	
 □ League Tables Q Sector Benchmarking □ ⇒ Value Gap □ Export as PDF 	£1,061,858	35%	Wellbeing	0k 100k 200	ik 300k 400k	500k 600k 700k	800k 900k	1£1,061,858	
ukactive 🗉 🎓 Increased educational attainment	£166,288	45%	Education	0k 25k	50k 75k	100k 125k 15	£166.288 0k 175k	200k 225k	
Reduced crime	£2,194	26%	Community/Crime	0k 0.25k	0.5k 0.75k	1k 1.25k 1.5k	1.75k 2k	2.25k 2.5k	
All 🔒 13,877 🕴 100 %	Core 💄 1,710	12 %	Moderat	te 🛔 3,283	24 96	Infrequent	8,884	64 %	
i If multiple sites are included in the selected filter, the average so	ocial value generated from the selected sites		e sector values to calculate • Filters - 2	the SV index Score.		•			













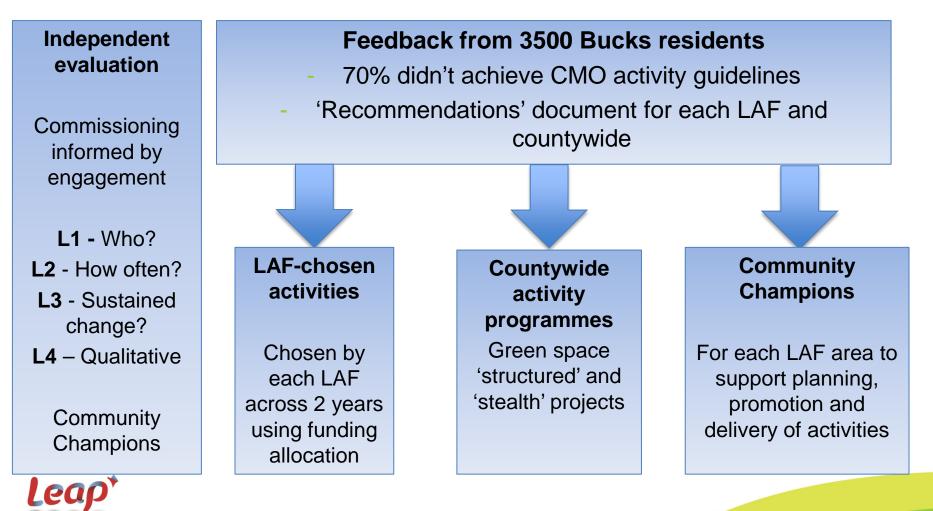
<u>Aims</u>

- To increase activity levels of Bucks residents, increasing proportion achieving CMO guidelines and reducing proportion that are inactive
 - Working across the 19 Local Area Forums
 - Ensure community engagement informs programme





Overview (May 15-Sept 17)



www.activebucks.co.uk



	Buckingh County County	amshire ^{:il}			
	1	2			
	Enter a location or postcode Aylesbury HP21 BAL, UK	~	÷	Active Bucks – Beginners Jogging Running On Wednesday at 07:00 pm - 08:00 pm	Distance: 2.66 mile
	Choose activity type	^	<		Claim your voucher
	All activities	~	۶.	Table Tennis Table Tennis On Saturday at 7:00 AM - 9:00 PM	Distance: 0.20 mile
	Aerobics				Claim your voucher
	Athletics				
	Badminton	2		Tennis	Distance: 0.20 mile
	Bowls			Tennis On Saturday at 7:00 AM - 9:00 PM	Claim your voucher
	Boxing				

July 16 – August 17:

- Approx. 1600 activities on site
- 55k visits from 44k unique visitors
- 3,010 vouchers downloaded by 2129 unique users
- 22.2% of all voucher downloads are for AB activities (but only account for 5% of all activities on there)

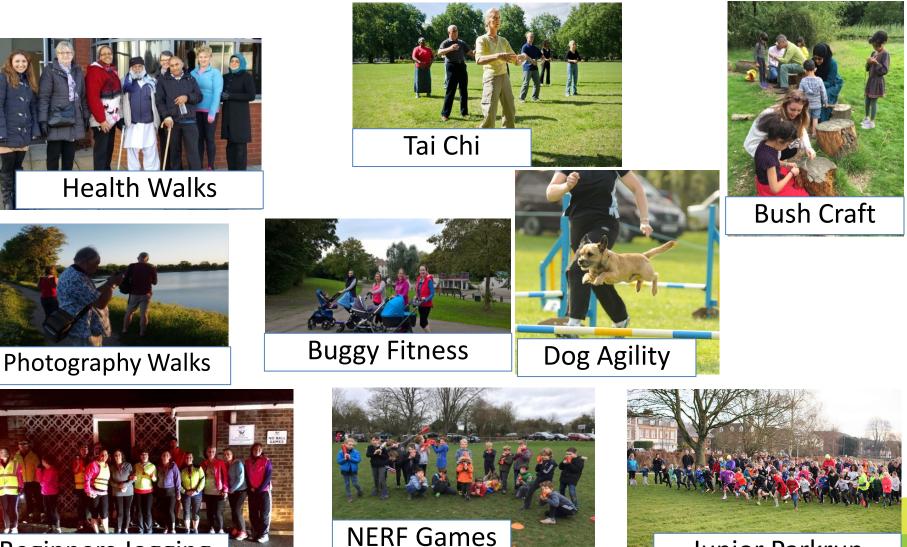


Activities.....

Beginners Jogging



Junior Parkrun









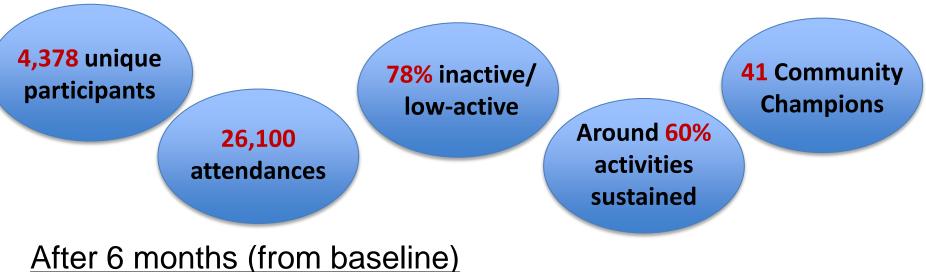


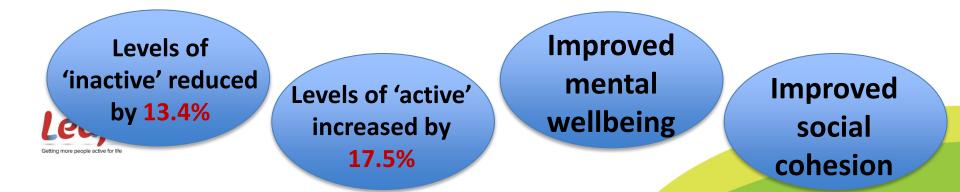




Results so far....

170 activity-programmes





Improving Lives

Philippa, Nordic Walking Instructor - North Bucks

"Following my cancer diagnosis I wanted a new direction in life and I needed to regain my confidence. Learning new skills and then teaching them to others has helped me in my recovery. I have met women who have been through the same illness as me [through the Active Bucks sessions] and it is a privilege to help them recover too."

Hayley, Ladies Football - Aylesbury

"This session is exactly what I have been looking for - a great way to get fit and an ideal opportunity to get back into playing football in a fun, social way"

Ian, Walking Group – Waddesdon

"I know it is doing me good. I feel fitter than I have done for years, I have less aches and pains and I have lost significant weight without any change to my diet."

Claire, Run Leader – Buckingham

"I don't want session timings to be a barrier for people to get active, something I have experienced."







Key Learning

- Commissioning effective procurement is crucial!!
- Strategic buy-in is key H&W Board support
- Manage expectations of Members from the start, tailor regular communication, and always get them involved
- Planning activities good lead-in time, phased approach, effective sub-contracting, robust monitoring
- If it doesn't work don't sulk, learn and improve!
- If it does work scale it up!
- The power of Facebook!
- Linking up different strands of the programme saves money, avoids duplication and improves outcomes
- Practical vs academic evaluation needs to work around activities (not other way around)





Thank You

Questions?

Tom Burton – <u>tburton@buckscc.gov.uk</u> Chris Gregory - <u>CGregory@leapwithus.org.uk</u>





Open+ Peterborough

Peterborough City Council:





The future for Libraries



Libraries campaigners seek second judicial review of Lincolnshire cuts, Peterborough has found a different way by listening and working with our staff and customers to keep all of our libraries open, and open for longer at a reduced cost



Open + meeting the needs of local communities in the long-term

In 2014, Peterborough residents were asked 'what is most important to you about a library service?' We received three strikingly significant responses:

- Books on the shelves 87.2%
- Location 70.4%
- Access to information 55.6%

Libraries are an overwhelmingly local service, with 75% of library users travelling less than 2 miles to use a library, and 43% of library users walking to the library.

Users were also asked what factors would encourage more use of the library service.

Accessing the library building outside normal hours receiving the highest response: 74%



Α

Β

С

Full Cross party and public support

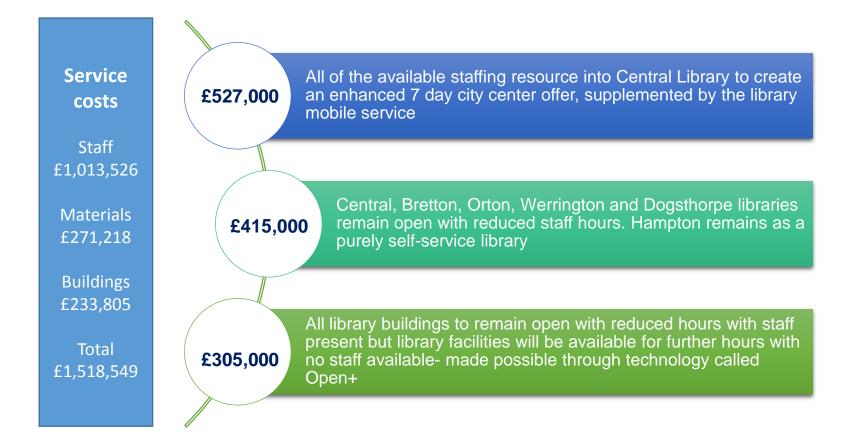
All library buildings to remain open with reduced hours with staff present but library facilities will be available for further hours with no staff available- made possible through technology called Open+ Public consultation to understand the value of libraries, how and when they use them and what for -

49/51% books and Digital – with 90% of self service users

Libraries effect every member of the community. Models were developed from the consultation with the view of a changing service with different customer needs and requirements.

The council listened to people concerns and flex proposals where possible, and were able to trial the technology at two sites to gain feedback and streamline the system and service.







What is Open +

The Council was passionate about finding a library model for the future whereby it would not have to compromise on service access and choice. The council is digitally focused and spoke to Bibliotheca about open+. We explored it as different way forward for all of our libraries'.

After considering the more extreme alternatives, which all would have resulted in leaving local library users at a disadvantage and the closure of at least 5 buildings, we discounted that in favour of Open+





Saving

- Option 3 reduction of £305,000 to total library budget
- £275,000 form staff, 15 voluntary redundancies
- £30,000 from Materials

Capital

- £170,000 capital
- £123,000 for Open+ system
- £45,000 for cabling and doors
- £2,000 for enabling works, including internal locks

Revenue

- Ongoing support costs £1,500 per library
- £13,500pa
- Cost of capital over 8.5 years £24,600



÷

Existing contract with Bibliotheca for security gates and kiosks Procurement advised extension of existing contract, with no requirement to tender

÷

Exemption report under section 4 of the contract rules for contracts under £500,000

Contract granted for £123,000



		Our preferred option Open+		
LIBRARY	Current opening hours	Staffed Hours	Self-service hours	Total Staffed and self service hours
Central	40	33	22.75	55.75
Bretton	29	16	21.25	37.25
Dogsthorpe	29	14	19	33
Eye	21	10	14.5	24.5
Hampton	21	14	61	75
Orton	29	16	22.25	38.25
Stanground	21	10	21.5	31.5
Thorney	21	10	15.25	25.25
Werrington	29	16	25	41
Woodston	21	10	15.25	25.25
TOTAL	261	149	237.75	386.75
Available weekly 261 hours		386.75		

Consultation 2,

60.3% support it 39.7% oppose it

Of the 39.7% that oppose the preferred option people said:

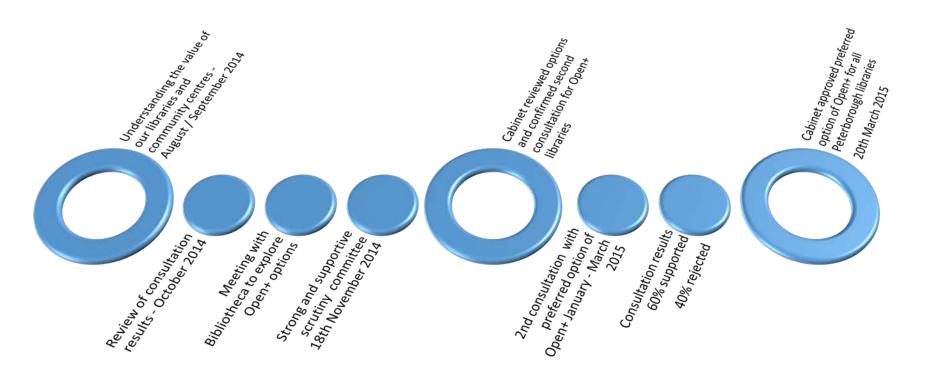
18% a perception of lack of safety

7% Smaller libraries should close

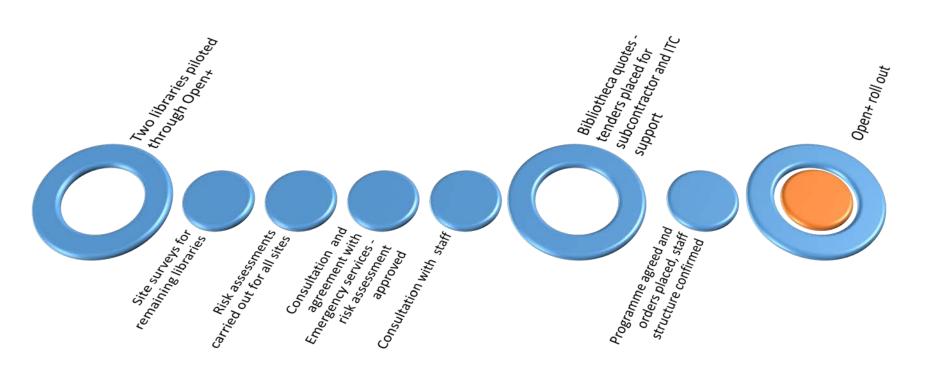
29% Seek to make the overall savings requirement differently – but not specified how

46% suggested proposals that were already covered within the preferred option.











Peterborough Libraries are now open longer with open+

Like us on vivacitypeterborough-libraries

General enquiries 01733 864 280 vivacity-peterborough.com/libraries-and-archives/open





Join open+ for free and use your membership card to:

- Borrow books, eBooks, DVDs and CDs
- Use computers for FREE in all libraries
- Renew and request books from home
- Reserve items online at
 peterborough.spydus.co.uk

Vivacity

Libraries



You'll need to register for open+ to use the library during unstaffed hours by talking to a member of staff at your branch.

Please note: Under 16s are unable to register for open+, but they are welcome to come in to the library during open+ hours if accompanied by a parent or guardian.

vivacity-peterborough.com/libraries-and-archives/open

Bretton Library				
AQ	Ad		Staff on site hours	
	Open	Start	Finish	Close
Monday	09:30	09:30	12:30	17:00*
Tuesday CLOSE			DSED	
Wednesday	09:00*	13:30	17:00	17:00
Thursday	09:30	09:30	12:30	17:00*
Friday	09:30*	13:30	17:00	17:00
Saturday	08:30*	11:00	14:00	16:00 [*]

Contact us on: 01733 864 291 'Self Service hours available for registered open+users

Peterborough	Central Lit	orary
	Staff on site hours	

Open	Start	Finish	Close
09:00*	10:00	17:00	19:00
09:00*	10:00	17:00	19:00
08:00*	14:00	17:00	19:00
09:00*	14:00	17:00	19:00
09:00*	10:00	17:00	19:00
09:00	09:00	15:00	15:00
	09:00' 09:00' 08:00' 09:00'	09:00* 10:00 09:00* 10:00 08:00* 14:00 09:00* 10:00	09:00* 10:00 17:00 09:00* 10:00 17:00 08:00* 14:00 17:00 09:00* 14:00 17:00

Contact us on: 01733 864 270 'Self Service hours available for registered open+users

vivacity-peterbor	ough.com/libraries-and-archives/open



Peterborough City Council adopts new technology to keep all of their library open and open for long

- All of Peterborough Libraries remain open, when other councils are taking the option to close meeting the Library act with no review
- All evidence for the model tracks back to the public consultation, the council listened and responded, and achieved full cross party and public support.
- Libraries are now open 126 more hours than before with a reduced cost to the service of £285,000 for the first 8.5 years and the £305,000 after.
- Open+ provides the best of both worlds, libraries open with increased access and is simple and seamless to use and fully accessible.
- The system can be controlled from a central point by one member of staff and is integrated with existing systems.
- Increased library membership and usage up 3% from May 2015 with greater use of the libraries from community groups and council workers.
- Over 15,500 sign ups from a library membership of 32,000 in the first year
- Open for two years on the system





Lisa Roberts : Head of Culture and Leisure



