

**LEADER OF THE COUNCIL AND PORTFOLIO HOLDER FOR FINANCE AND
GOVERNANCE
AND
PORTFOLIO HOLDER FOR LEISURE AND PUBLIC REALM**

5TH August 2024

REPORT OF CORPORATE DIRECTOR ECONOMIC GROWTH AND PLACE

ACTIVE WELLBEING CENTRE FEASIBILITY STUDY

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To allocate funding and commission a feasibility study, which will evaluate the viability of developing a new Active Wellbeing Centre in the Tendring District.

EXECUTIVE SUMMARY
At their meeting on 12th March 2024, Cabinet was presented with a draft Sport and Activity and subsequently agreed to commence a consultation process with stakeholders on the content. The draft strategy and covering report set out clear aspirations to work with health partners in exploring opportunities to develop a new state of the art Active Wellbeing Centre in Tendring. Through that report, the following decision was taken to procure a consultant to undertake a feasibility study: - Commission a feasibility study to explore the options and implications for developing a new Active Wellbeing Centre in the District. The proposed facility would include health and leisure facilities together in one place and act as a central hub, linked to others across the district. Progress will be subject to agreements with partners, but this exciting proposition would align with national strategy framework and present an opportunity for significant transformation. It was subsequently recommended and agreed by cabinet to commission a feasibility study to ensure all implications are considered in any future decision making. Although the wider strategy was subject to a full consultation exercise, Cabinet agreed to commission this study with immediate effect. Following the Cabinet decision, a procurement exercise was carried out and three consultants provided submissions. Following consideration and a full evaluation process, it is recommended that SLC Consultants are appointed to undertake this work at a total value of £50,423. The scope of the feasibility study is included in this report (in the ‘milestones and delivery’ section) and is to be agreed through this report. This project will be funded from a budget of £122,530 set aside to support delivery of the Sport and Activity Strategy, with authority for expenditure delegated by Cabinet to the Portfolio Holder for Leisure and Public Realm.

RECOMMENDATION(S)

It is recommended that:

- (i) The Portfolio Holder for Leisure and Public Realm agrees that £50,523 the Sport and Activity Strategy budget is allocated to fund a feasibility study on the proposal of a new Active Wellbeing Centre;
- (ii) SLC Consultants are appointed to undertake a feasibility study to develop a new Active Wellbeing Centre in the District, on behalf of the Council; and
- (iii) the Leader and Portfolio Holder for Finance and Governance together with the Portfolio Holder for Leisure and Open Space agrees to the scope of the feasibility study, as set out in milestones and delivery section of this report.

REASON(S) FOR THE RECOMMENDATION(S)

To progress the Cabinet decision taken on 12th March 2024, to commission a feasibility study into developing a new Active Wellbeing Centre in the district.

ALTERNATIVE OPTIONS CONSIDERED

The Council could consider completing this work in-house and not outsourcing the feasibility study to a consultant. Due to significant challenges with capacity and the need to procure external expertise and experience in this subject matter, this was not considered a viable option at this time.

The Council considered other consultants for this commission, but following a procurement process and an evaluation of all bids received, it is recommended to appoint SLC Consultants.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Completing the feasibility study will impact on the following themes, from the Council's Corporate Plan:

- Pride in our area and services to residents.
- Raising aspirations and creating opportunities.
- Working with partners to improve quality of life.
- Financial sustainability and openness.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Council has undertaken initial consultation with partners in the health system, who have stated intent to be involved in this process. Engagement with those partners will continue throughout the feasibility study process and a working group will be established so all views will be taken into account.

If viability is established, a wider consultation process will be undertaken with stakeholders and residents through the design process.

LEGAL REQUIREMENTS (including legislation & constitutional powers)			
Is the recommendation a Key Decision (see the criteria stated here)	NO	If Yes, indicate which by which criteria it is a Key Decision	☐ Significant effect on two or more wards ☐ Involves £100,000 expenditure/income ☐ Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	N/A
This procurement exercise has followed the Council's constitutional obligations and was subject to a competitive process. The Council received three tenders for this work and following evaluation it is recommended to appoint SLC Consultants. The Council's standard contract will be used to develop the agreement with the selected contractor.			
yes	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:		
Having personally reviewed the report, and given advice on the recommendations, no further comments are required.			
FINANCE AND OTHER RESOURCE IMPLICATIONS			
In order to support some of the actions in the delivery plan, Cabinet allocated £122,530 from the former Joint Use Facility budget to the Sport and Activity Strategy. A total of £50,523 from the budget is being directed towards supporting this consultancy works. Appointing expert consultant to undertake the feasibility study and work with partners to complete this study, will ensure that enough resources are allocated to delivering Cabinet's outcome. Officers will work with the appointed consultants to ensure the direction is informed and the outcome is delivered to the highest standards.			
☐	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:		
USE OF RESOURCES AND VALUE FOR MONEY			
The following are submitted in respect of the indicated use of resources and value for money indicators:			
A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;		The project will be funded from ?? This project has the potential to reduce revenue expenditure, by considering long term viability and sharing costs with partners.	

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	The consultants will be reporting monthly on progress and a strategic group is being brought together, to ensure members of Cabinet and senior Officers from partner organisations are kept up to date with progress.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	Through the strategy, the Council has committed to considering the sustainability of its wider leisure stock. Operating leisure centres is a significant financial challenge for the Council, which has required increasing subsidies over recent years to pay for rising energy and service costs. In respect of these significant challenges and substantial investment required on ageing stock, the Council needs to consider what public sports facility offer can be provided and sustained into the future.

MILESTONES AND DELIVERY

The scope of this feasibility study will be as follows, which is the process which the consultant will follow:

Phase 1:

The consultant will chair a working group consisting of representatives of the Council and a range of partner organisations, to establish the following:

- Which partner organisations are committed to being part of the concept of a new AWC in the Tendring District and the range of services they agree to put forward for inclusion in the feasibility study. This will include the range of Leisure Facilities and Health Services to be included in the proposed AWC.
- A collectively agreed vision statement for the AWC agreed by the partners.
- A shared partner road map for the AWC, to ensure there is a clear direction for the future operation, including how the facility will be managed and options for the customer journey, e.g. shared or individual receptions and how the customer journey will work.
- Requirements to accommodate the range of partner services to be included in the AWC, including but not limited to:
 - The amount of floor space required for each partner organisation
 - Any high level design requirements for each partner organisation
 - The high level opening hours for each partner organisation
- A consideration of partner views as to whether there will be jointly employed roles at the AWC, to take into account the shared vision for how the facility will be managed, e.g. umbrella reception staff, social prescribing team etc.

Phase 2:

Once the information in phase 1 has been established, the consultant will complete a feasibility report for consideration by the Council and its partners, which should include the following:

- i. The report should set out the shared partner vision for the proposed AWC, from of the information collated in discussions with the Working Group

- through phase 1.
- ii. The report should provide options for the footprint of the new facility and how this would impact on the seamless operation of the current facility, up to the opening of the new AWC (the current footprint will be provided to the successful bidder).
 - iii. Options for the design and flow of the AWC and how the customer journey will be managed.
 - iv. Management options for the AWC, which should account for shared staffing arrangements and be informed by the current operation of Clacton Leisure Centre.
 - v. The report should include outline **capital costs** of constructing a new AWC on the Vista Road site to meet the specification of the collaborating partners. This should include factors such as risk allowances, contingency, and cost inflation.
 - vi. The capital appraisal should include options for energy conservation and carbon reduction technology which will impact positively on the Council's Climate Change agenda and minimise ongoing revenue costs.
 - vii. A **financial model** to show how the capital cost could be financed, given the funding available from different participating partners. This could include borrowing against rental income streams.
 - viii. The high level estimated ongoing asset **revenue costs** of operating a new AWC on the Vista Road site. This should include a risk allowance, taking into account factors such as inflation. This should also include the lifecycle costs of maintaining the centre. Note: This will not include the individual partner costs. As a guide, financial information will be provided from the existing Clacton Leisure Centre site to the successful bidder.
 - ix. Estimated Design Team and associated costs to take the project through to submission of a planning application.
 - x. A high-level programme for the project, which sets out the timeline and key milestones through to opening of the AWC.

ASSOCIATED RISKS AND MITIGATION

The Council may commission the feasibility study and following completion may determine that viability is not established. The investment is considered good value for money and if viability is established, may inform a multi-million pound investment in the future.

EQUALITY IMPLICATIONS

A new Active Wellbeing Centre has the potential to impact significantly on district wide health inequalities. The feasibility study will ensure that local needs and equality issues are addressed, during phase 1 of the process.

SOCIAL VALUE CONSIDERATIONS

If this project proceeds to a construction phase, there is potential for local contractors and sub-contractors to bid for future construction contracts.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030

The Council has set out its plans to become net zero carbon by 2030. The plan, initially covering the period to 2023, sets out a series of measures to reduce the council's own greenhouse gas emissions. The plan identifies that by 2029 TDC could save almost £1m each year in energy efficiency by making the changes. Available data shows TDC's CO2 emissions totalled 4,553 tonnes in 2018/19 across three 'scopes' – direct emissions, indirect (such as

electricity supplier) and indirect (use of goods and services). The three sports facilities emissions for this period were 1,195 tonnes.

This consultant has been tasked with including the following in the feasibility study:

- i. The capital appraisal should include options for energy conservation and carbon reduction technology which will impact positively on the Council's Climate Change agenda and minimise ongoing revenue costs.*

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	There are no specific implications at this stage
Health Inequalities	If viability is established, this consultancy work has the potential to impact significantly on district wide health inequalities. This would be achieved by working with partners in the health system to work seamlessly through a process of active wellbeing.
Area or Ward affected	St Pauls, however if developed through to construction, this proposed facility would impact on the wider district.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

In 2023, Sport England produced a new strategy to address the challenges faced by Local Authorities and other providers, in maintaining the national sports facilities stock (Future of Public Leisure). This sets out the case for moving towards seamless partnership working between Local Authorities and Health Providers, together with other significant partners, to move transition from traditional leisure services to a focus on active wellbeing. Subject to the outcome of the feasibility study, this has the potential to become a more financially sustainable model for all partners, whilst tackling the wider health implications for local people. The strategy claims that this would 'create a closer relationship between health and leisure, built on social prescribing, co-location of services and the delivery of preventative activity opportunities' – providing users with convenient places and ways to be active, located in close proximity to other health and social care services and facilities.

The Council's draft Sport and Activity strategy sets out clear aspirations to work with health partners in creating a new state of the art Active Wellbeing Centre in Tendring.

PREVIOUS RELEVANT DECISIONS

Through the draft Sport and Activity Strategy, the Cabinet **RESOLVED** (Minute No. 105) that -

- (a) approves the draft Sport and Activity Strategy be approved for consultation;

(b) authorises Officers, in consultation with the Portfolio Holder for Leisure and Public Realm, to initiate a minimum eight-week consultation process and seek stakeholders' comments on the draft Sport and Activity Strategy;

(c) a one off sum of £122,530 from the budget for the former Joint Use Facilities be allocated towards the action plan set out in the Strategy and delegates decision making for the use of this budget to the Portfolio Holder for Leisure and Public Realm;

(d) the appointment of a new Community Sport and Activity Manager, to facilitate, influence and support the community activity set out in the action plan, be supported;

(e) a feasibility study be commissioned to explore the options and implications for developing a new Active Wellbeing Centre in the District; and

(f) authorises the Leader of the Council together with the Portfolio Holder for Leisure and Public Realm to decide the scope of the feasibility study.

Recommendations c, e and f are relevant to this report.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

Cabinet report on the Council's draft Sport and Activity Strategy, 12 March 2024
[Microsoft Word - Sport and Activity Strategy March 2024 Final Version Final](#)

APPENDICES

N/A

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