

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	7 June 2016
DIRECTOR	Gayle Gorman
TITLE OF REPORT	Review of Leisure Assets
REPORT NUMBER	ECS/016/
CHECKLIST COMPLETED	Yes/No

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Committee on the projects which will be taken forward by Sport Aberdeen to invest in developing the sports facilities across Aberdeen and to seek approval to release the bank guarantee to facilitate this investment.

2. RECOMMENDATION(S)

It is recommended that Committee:

- i) Note the work undertaken by the Active Aberdeen Partnership and Sport Aberdeen to date in developing a long term sports strategy;
- ii) Agrees that the Active Aberdeen Partnership commence consultation with relevant agencies and stakeholders on the long term strategy (Attached as Appendix 1);
- iii) Agrees that Sport Aberdeen invest in the facilities outlined in paragraph 5.14 (below) to improve the range of sporting facilities available to the public in Aberdeen;
- iv) Delegate the Head of Finance to provide the bank guarantee up to a maximum of £5 million to facilitate this investment by Sport Aberdeen;
- v) Note that the long term sports facilities strategy will be presented to a future meeting of this Committee in November 2016; and
- vi) Otherwise note the contents of this report.

3. FINANCIAL IMPLICATIONS

- 3.1 By supporting the Board of Sport Aberdeen's decision to upgrade the facilities listed in section 5 of this report, the Committee will, by implication, be agreeing to provide a bank guarantee to Sport Aberdeen for up to £5 million.
- 3.2 When the full strategy document is presented to Committee, following citywide consultation, it will identify the level of capital required to deliver comprehensive sporting and recreational facilities across Aberdeen and contain methods of funding which will allow these facilities to be developed in a clearly defined programme.

4. OTHER IMPLICATIONS

Legal

- 4.1 There are no legal implications associated with this report.

Personnel

- 4.2 There are no Human Resource implications arising as a consequence of this report.

Property

- 4.3 By facilitating Sport Aberdeen's investment in the leisure estate, the Council is helping deliver improved property assets which will offer a better range of sporting and recreation activities. The investment will also improve the condition of the properties concerned and make them better suited to meet the leisure needs of the city.

5. BACKGROUND/MAIN ISSUES

Strategy Review

- 5.1 The work taken on by AAP follows an initial review of sports facility requirements identified in a report by Leisure Consultants Knight Kavanagh & Page (KKP). The main focus for the review was the facilities that were available to the general public, which included sports centres at both of Aberdeen's Universities along with the services commissioned under contract to ALEO's. The findings of this review have been further developed in a collegiate manner by all the participants within AAP.

Active Aberdeen Partnership (AAP)

5.2 As Committee is aware, the transfer of sports functions and services to Sport Aberdeen in January 2015 included taking the lead on the development of strategy and policy for the City. A key aspect of this change of approach included the formation of the Active Aberdeen Partnership. Members will note that this has broad representation from all key agencies in the City along with **sportscotland**. The members of the Active Aberdeen Partnership include:

- Sport Aberdeen
- Garthdee Alpine Sports
- Aberdeen Sports Village
- University of Aberdeen
- Robert Gordon University
- Aberdeen City Council
- SportScotland
- Transition Extreme
- Aberdeen Health and Social Care Partnership
- Aberdeen Football Club Community Trust
- Curl Aberdeen

5.3 Sport Aberdeen has taken the lead the formation of AAP and one of its first priorities was to resurrect the work undertaken on the Asset Review and to bring it up to date. Coincidentally, the AAP has also undertaken a Review of 'Fit for the Future' - the participation plan - and 'An Active Aberdeen' was reported to the Education & Children's Services Committee on 2 June 2016.

5.4 Given the work that had already been undertaken, it was prudent to invite KKP to assist AAP in their work of developing a strategy which is fit for purpose as the city moves forward to become the most active city in Scotland.

Strategy In Context

5.5 The focus for the Strategy, which is appended to this report, is to identify where investment should be focused to achieve not only the best financial return, but also to deliver the outcomes 'An Active Aberdeen'. It also recognises that it is not possible to consider the City as a blank page and identify a network of new facilities; there is a need to build on what is good or could be improved, maximise opportunities that we know are on the horizon, identify gaps that need to be filled and where appropriate rationalise facilities that are beyond their anticipated life expectancy.

5.6 As such, it is an ambitious Strategy and one which reflects the need for the City to re-consider how it provides sport and physical activity facilities and opportunities for future generations.

- 5.7 In addition to sports/leisure centres and swimming pools, assessment of need has also been undertaken of the future requirements for 3G synthetic pitches. This will form a separate report, however the recommendations regarding 3G have been included in the strategy.
- 5.8 The Draft Strategy is appended as Annex B. It is split into 3 main components;
- i. Outcome of the research undertaken to assess the present landscape;
 - ii. What modern leisure facility provision should look like;
 - iii. Proposals that all partners should consider for the future.
- 5.9 Perhaps the key difference between where this strategy is placed now than in 2012 is that it is not a City Council plan, but that of the AAP, which of course includes the Council as one of the key partners. This places a different emphasis in that both the priorities and implementation will be for all organisations to contribute and there will be no single solution, nor expectation that an organisation undertake a project in isolation.

Investment Implications

- 5.10 In presenting this Strategy, the AAP recognises that it is not the sole responsibility of the Council to identify and provide the necessary future capital investment. The AAP recognises the need for a number of different solutions found to achieve the aspirations and all members of the AAP have a responsibility in this regard. It is therefore assumed that there will be no single funding mechanism; rather a mix of sources based on some or all of the following;
- ◀ Further development and implementation of a city-wide developer contributions process for part funding of new sports facilities within the catchment area of the new or enhanced facilities.
 - ◀ Use of capital receipts from land disposal, where applicable.
 - ◀ Asset rationalisation and use of revenue saving to pay back borrowing aligned to capital investment in other sites.
 - ◀ Prudential borrowing where an 'invest to save' justification can be made, particularly for longer-term proposals which may be considered in light of the Council's future borrowing strategy.
 - ◀ External funding sources aligned to specific facilities and/or sports (e.g. **sportscotland** grant awards, other charitable grant award and funding streams).

- ◀ 3rd party borrowing where a suitable, robust business case exists [although this will be more expensive than prudential borrowing].

Next Steps

- 5.11 Following Committees consideration of this report, it is proposed that the AAP commence wider consultation with relevant agencies [eg governing bodies of sport] to gauge support for the proposals. Once completed, the final Plan would be submitted to this Committee for adoption along with an expectation that it would be incorporated into the Community Planning Framework.
- 5.12 Committee will recall that a bank guarantee was approved at its meeting of 19 April 2016, to support Sport Aberdeen investing in its operational facilities. A key element of the sports strategy involves Sport Aberdeen upgrading and improving a number of its facilities. Table 1 (below) provides detail of the facilities that Sport Aberdeen intend to upgrade over the course of the next 1-3 years. This investment is needed firstly to create a modern, pleasant environment for sporting and recreational activities and secondly to provide new equipment for customers.

Table 1: Investment Proposals in Sport Aberdeen Facilities

Partnership organisations	Facility	Opportunity on investment proposal
Sport Aberdeen	Northfield Swimming Pool	Extension to the existing swimming pool to create: <ul style="list-style-type: none"> ◀ 40 station health and fitness suite, free weights area and group fitness studio. ◀ New changing accommodation for health and fitness.
Sport Aberdeen	The Beach Leisure Centre	Extensive refurbishment and redevelopment of the entire facility to create: <ul style="list-style-type: none"> ◀ New 80 station health and fitness suite, free weights area and group fitness studios. ◀ Extensive indoor soft play ◀ Added leisure water features and changing village replacement ◀ Improved spa and wellness retreat ◀ Improved catering
Sport Aberdeen	Jesmond Sports Centre	Extensive refurbishment and redevelopment of the internal layout to create: <ul style="list-style-type: none"> ◀ 60 station health and fitness suite and free weights area and group fitness studio ◀ Hi-Tec interactive children and young people's activity zone. ◀ New changing accommodation.
Sport Aberdeen & Aberdeen FC Community Trust	Sheddocksley Sports Centre	Extensive refurbishment and re-configuration of the internal facility layout to create: <ul style="list-style-type: none"> 52 station health and fitness suite, free weights area and group fitness studio. New changing accommodation for health and fitness. Multipurpose studio/training suite. External changing accommodation refurbishment. AFC CT development base and offices. Training/Meeting room New entrance and car park upgrade ◀ 3G football pitch.

6. IMPACT

Improving Customer Experience

- 6.1 Improving the leisure and recreation facilities across Aberdeen will provide enhanced opportunity for all of the city's residents to participate in physical activity using modern equipment in facilities which are of a better condition than at present. It is believed that this will encourage more of Aberdeen's population to become active.

Improving Staff Experience

- 6.2 Although the staff engaged in supporting individuals participating in sport and recreation are in the whole employed in external agencies, it is believed that they too will benefit from working in improved conditions and with better equipment.

Improving our use of Resources

- 6.3 The strategic review of facilities will deliver a leisure and sporting estate which is fit for the 21st Century across Aberdeen. The review will take account of the needs of individual communities and the need to create centres of excellence where specific sporting activities can be delivered.

Corporate

- 6.4 It is AAP's intention to make Aberdeen the most active city in Scotland. This is a key part of the health and wellbeing strategies of both the Curriculum for Excellence and the Council's Single Outcome Agreement. Investment in improved facilities and equipment will help facilitate a greater involvement in sporting and leisure activities.

Public

- 6.5 The public will benefit from improved facilities across the city. These will provide enhanced opportunity for all to participate in physical activity.

7. BACKGROUND PAPERS

Finance, Policy and Resources Committee – 19 April 2016 (Agenda Item 30: Sport Aberdeen – Contract Revision and Governance Arrangements – ECS/016/022)

8. REPORT AUTHOR DETAILS

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