

## **Appendix 2 - New Leisure Centre – Farnham Road Centre site**

### **1. Background**

1.1 In March 2014 Cabinet agreed to The Centre as being the preferred site for a new leisure centre, replacing the existing Montem Leisure Centre and instructed officers to develop a feasibility and business case model for the leisure centre. The results of this piece of work were presented to Cabinet in March 2015 and recommended the following core offer:

- 25m x 8 lane swimming pool 1
- 10 x 15m teaching pool with moveable floor,
- spectator seating for 250
- wet side changing village
- 5 court sports hall
- 125 station gym
- 2 x squash courts
- 3 x exercise studios
- Dry side changing facilities
- Cafe

1.2 Since then a masterplan for the site and concept designs for the new facility has identified opportunities for a mix of leisure, residential and other community facilities and services. This exercise has been undertaken in partnership with Slough Regeneration Partnership (SRP) and Morgan Sindall (MS)

1.3 Slough Clinical Commissioning Group (CCG) has shown an interest in co-locating on the site and has highlighted a requirement of up to 12,000 sq ft. This offers a good opportunity to provide a more holistic and joined up health offering to local people. The CCG requirements cannot be met within the current design and whilst options for this possible co-location are to be progressed, to avoid delays the leisure centre will be designed for a future phased approach.

1.4 The current scheme being considered aims to deliver:

- A leisure centre incorporating:
  - 8 lane swimming pool with separate teaching pool with moveable floor, spectator seating for 100 and wet side changing village
  - 5 court sports hall
  - 132 station gym
  - 3 exercise studios
  - Dry side changing facilities
  - Facilities for consultation / treatment rooms e.g. physiotherapy and sports injury clinic.
  - Option for additional car parking with a decked system
- Residential development and a health centre as part of a phased approach to be delivered on the wider development site after completion of the leisure centre.

### **1.5 Timescales for delivery**

Current estimated timescales indicate a 24 month development programme; delivering the new leisure centre in the autumn 2018.

1.6 The timescales for the development of the scheme have been driven by a number of dependencies including the relocation of the registrar's service from their current location in the Centre, to other suitable premises. In regard to the de-commissioning of The Centre; lead in time and notice to terminate the lease and management agreement must be given to the present operator, Slough Community Leisure.

**1.7 Finance**

The capital funding package for the scheme is detailed in Appendix 4 of this report and details the capital costs for the development at £17.8 million which are inclusive of SRP consultancy, legal fees and internal Council costs.

1.8 An expression of interest for capital funding support to Sport England will be submitted to their Strategic Funding Programme in the New Year and if successful will reduce the amount of capital borrowing for the scheme.

1.9 The management and operating costs of the new leisure centre indicate a net surplus of circa £400K per annum.

1.10 The opportunity to combine a health centre / GP surgery into the development will provide a source of ongoing revenue income to the Council.

1.11 The earliest closure of the existing Montem Leisure Centre will help in driving down costs of essential repairs and maintenance. It is expected that in the next 3 years a sum of £500K will be required to keep the building operational and there is still the ongoing risk of major mechanical and electrical failure, which will require the facility to close prematurely.

1.12. The earliest demolition of Montem Leisure Centre will allow the proposed residential scheme on the Montem Lane site to commence, releasing capital receipts

**1.13 Management and operating options**

The Council's leisure contract is due for renewal on the 1<sup>st</sup> June 2017. We are currently looking in detail at the scope of the contract and at this stage it is anticipated that the new leisure centre would sit within this new contract, which we aim to go to the market with in May 2016. Between now and May 2016 we will be undertaking a programme of soft market testing, contacting a number of leisure providers to test the current climate. Early assumptions are that the new contract would not be subsidised by the Council through a management fee.