

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 18th July 2016

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PORTFOLIO: Community and Leisure – Councillor Bal

PART I

FOR DECISION

Leisure Capital Programme – The refurbishment of Slough Ice Arena and the provision of a temporary ice provision

1 Purpose of Report

- 1.1 A decision is required from Members to enable contractual negotiations to commence if a temporary ice provision is to be provided in the Borough whilst Slough Ice Arena is closed for its refurbishment.
- 1.2 The report summarises proposals for a temporary provision with indicative, estimated costs. It also details other options to mitigate against the closure of ice planned for November 2016 and its impact on the local community.

2 Recommendation(s)/Proposed Action

Cabinet is requested to resolve:

- I. That a temporary solution for the continued provision of ice facilities in the town from November 2016, which caters for the whole community, is considered.
- II. Officers continue to work to a programme for the capital improvement scheme to Slough Ice Arena, closing the facility in November 2016 to enable works to commence on the site.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a Slough Joint Wellbeing Strategy Priorities

All the actions within Slough's five year leisure strategy will contribute towards achieving the overarching vision of the Slough Joint Wellbeing Strategy and will make significant contributions specifically to the health, wellbeing and safer Slough themes.

- **Health and Wellbeing.** Cabinet in July 2014 approved a strategy for leisure, with the overarching aim to "enhance the health and wellbeing of Slough residents by ensuring leisure activity is adopted as a habit for life for all – more people, more active, more often". The link between physical activity and overall health indicators is clear, particularly for obesity, diabetes and heart disease, which are high priorities for Slough.
- **Safer Slough.** The opportunity to participate in shared leisure activities makes a positive contribution to community cohesion and interaction for all members of the varied and diverse community in Slough.
- **Regeneration and environment.** Leisure facilities contribute to the quality of the environment of the town. They provide opportunities to regenerate specific sites and local communities.

Cross-Cutting themes:

Good leisure facilities can improve the image of the town, making Slough a destination for sport and physical activity for local residents who will take a pride in the promotion of their use.

Slough's leisure strategy and improved leisure facilities contribute towards addressing key priorities as set out in the JSNA including childhood obesity, positive activities for young people and cardio vascular disease.

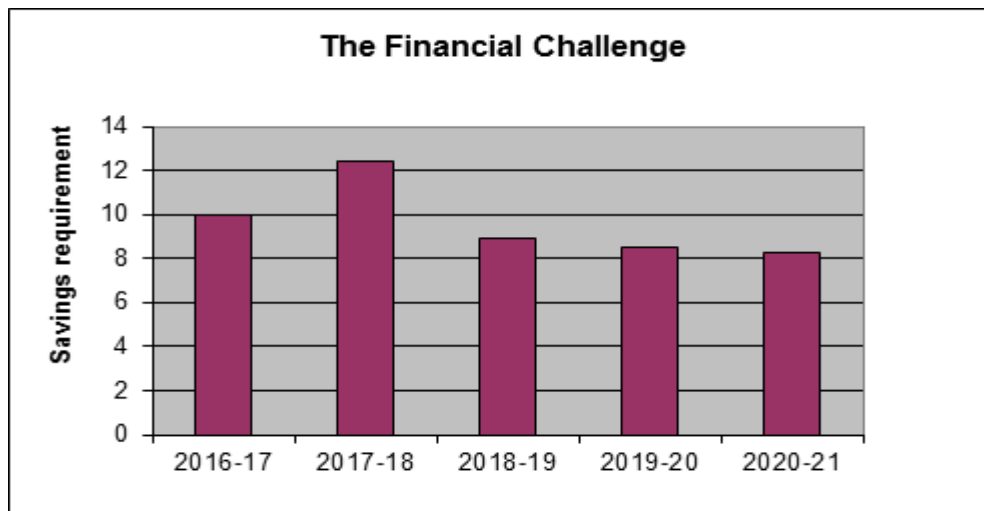
3b Five Year Plan Outcomes

- Slough will be the premier location in the south east for businesses of all sizes to locate, start, grow, and stay – good quality, accessible leisure facilities are attractive to employers to ensure a healthy workforce which is imperative for a businesses success.
- There will be more homes in the borough, with quality improving across all tenures to support our ambition for Slough – the future development of leisure facilities on chosen sites in the town will compliment planned housing developments and assist the organisational aim of maximising the value of assets.
- Slough will be one of the safest places in the Thames Valley – leisure activity can be used as a diversionary activity for young people who could be at risk of anti-social behaviour.
- More people will take responsibility and manage their own health, care and support needs – accessible leisure opportunities in the right location will enhance the health and wellbeing of all individuals living in Slough.
- Children and young people in Slough will be healthy, resilient and have positive life chances – improved leisure facilities will provide children and young people with wider opportunities for participation in sport and physical activity which results in greater physical and mental wellbeing. The proximity of the proposed new facilities to educational establishments will maximise use and allow the Council to realise corporate aims.
- The Council's income and the value of its assets will be maximised through capital development and improvements to its leisure facilities.

4 Other Implications

(a) Financial

- i. It is estimated that it will cost the Council between £632K and £1.2 million to provide a temporary ice provision in the town. A breakdown of these costs are detailed in sections 5.13 and 5.14 of this report. These costs are at this stage estimated costs based on a twelve month period.
- ii. The Medium Term Financial Strategy (MTFS) presented to this Cabinet sets out the financial challenge that the Council is facing. The latest estimation of savings required total £38m over four years. Proposals are being developed to address this gap and will be presented to members in the coming months, but at present there are substantial further savings required to ensure a balanced budget, see summary of the requirement below. The Council also faces a number of other financial risks. Business rates income remains volatile alongside significant risks on business rates appeals. The impact of voting to leave the EU has not been factored at present as the position is unknown, but remains a financial risk to the Council alongside the major reductions in Council funding from Central Government. The Council is also facing significant demographic demands on its services, alongside a substantial capital programme that requires financing that will add financial pressure to the MTFS.



- iii. The 2016-17 budget does not have contingency for these additional costs. Therefore, these funds would need to come from either new in-year savings made from across Council services or from the General Fund reserve. The General Reserve is held for risks that the Council faces as per the budget setting report to Full Council. The current minimum level of reserve recommended is £7.2m and the Council has £8.1m at present. The outturn for 2015-16 was forecast to be an overspend of circa £40k per the latest monitoring report. Therefore, utilising the General Fund reserve for the temporary ice arena would mean that the Council would have the almost absolute minimum level of reserves as detailed in the budget report to Full Council in February 2016.
- iv. The delay in moving forward with the housing development is likely to cost the Council around £90K because of the loss of efficiencies from the current

housing development program; this is included in the £632k estimated costs.

- v. Any delays to the capital programme for the refurbishment works on the permanent facility, planned to commence in November 2016 will result in additional costs, £490K for a six month delay and £870K for a twelve month delay.

(b) Risk Management

Project	Risk	Mitigating action	Opportunities
Ice Arena redevelopment and temporary ice provision	Financial – the temporary rink does not offer value for money Costs continue to increase	Full financial obligations will be confirmed prior to commencement of any scheme	The new facility will contribute to more people being physically active, which is a key priority for the Council. Temporary facility operated by a third party
	Planning - Delay to submission and determination of planning application Planning conditions not met within time for the Ice Arena refurbishment closure	Submission of the planning application as soon as possible. Project Manager to ensure early engagement with Planning and that conditions for compliance are monitored	
	Health and Safety	Fully addressed for temporary facilities as they are developed. Operational risks will be considered and developed to respond to the specific risk and will be passed onto the operator to manage.	
	Building Control - Delay to submission and determination of building control	Building Control to approve and sign off development proposals	

	application		
	Equalities issues – the temporary facilities fail to meet the needs of all	<p>The availability of a temporary facility will help to mitigate the effects of the temporary closure of the ice Area.</p> <p>It will enable a broad community programme to remain available to meet the needs of all.</p>	<p>Continued access to quality facilities will contribute to increasing levels of activity by all users including those with special or specific needs</p> <p>EIA completed</p>
	Community support – Objections to planned proposals	Communications strategy in place	
	Communications – The proposed temporary developments receive adverse publicity	Proactive approach with provider and users of the temporary facility.	
	Financial (capital) – Costs become inflated and the scheme is unaffordable	Proposals offer a cost effective option and identify appropriate contingency. Agree fixed price contract and measures to prevent potential scope creep	Look at other funding opportunities.
	Financial (revenue) – the temporary facility operates at a loss	Risk rests with the Operator	Transfer responsibility for the management of the temporary facility to a third party.
	Timetable for delivery – Key deadlines are not met	Project management in place to monitor critical path with slippage reported early. Provide a back-up plan for any unforeseen	

		delays	
	Capital programme overruns	The contract for the temporary facility will have flexibility to extend provision if required.	Opportunities for value management if required.
	Project Capacity – Adequate resources are not in place	Allocate sufficient resources to the management of the programme	Utilise expertise in house and with development partners to ensure the project is delivered on time.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights implications in regard to this report.

Local authorities have a range of powers to deliver cultural services which includes both recreation and sport. The provision of leisure services is however discretionary and as such local authorities do not have to provide these services.

A range of commercial contract issues will require resolution to enable the provision of the temporary ice arena to go ahead. Until heads of terms for the temporary facility are produced, the Council's lawyers are unable to advise on the legal implication that may arise.

Any delay to the proposed improvements and refurbishment to the permanent facility, due to commence in November 2016 could impact on the current legal proceedings being undertaken by the Council in relation to the early termination of the lease on Slough Ice Arena with the current operators, Slough Community Leisure.

The temporary Ice Arena will require planning consent if the resolutions are approved, which will require a minimum of thirteen weeks from the submission of the application. This timeframe could delay the availability of any temporary provision from the beginning of November 2016.

(d) Equalities Impact Assessment

The Council is attempting to mitigate the impact of the period of temporary closure and is working with the most disadvantaged users to provide possible alternatives during the period of closure. The body of the report outlines the steps that have been taken and the proposals that have come forward. An EIA has been completed.

(e) Workforce

The delivery of the temporary ice scheme will require specialist roles including dedicated project management and these will be met in-house within the council.

(f) Property

See section 5.17

(g) Carbon Emissions and Energy Costs

All new buildings will be built to be energy efficient but will increase CO2 overall.

5. Supporting Information

- 5.1 The Council aspires to provide the very best leisure facilities for its local residents; facilities that are accessible, in prime locations across the town. Increasing the participation rates of people who live in Slough in sport and physical activity is a key priority for the Council; getting more people, more active, more often.
- 5.2 Slough Ice Arena was built in 1986 as a two storey, steel framed, metal clad building; a common design for ice facilities of that decade. In light of the building's age it now requires extensive mechanical and electrical upgrading and major plant renewal. In January 2016 Cabinet approved the refurbishment and improvement works to the facility at a cost of £7.7 million. Works are currently planned to commence in November 2016 and will require the closure of the facility for a minimum of nine months.
- 5.3 The ice arena serves a wide catchment area (see appendix 1) and is a popular facility for young people, particularly females. It is home to the Slough Jets senior and junior ice hockey teams, SPICE, Slough Phantoms ice hockey teams, Slough Junior Synchronised Ice Skating Club, Slough Adult Synchronised Skating Club, Absolutely Skating Club and other regular users. It attracts over 140,000 users per annum. A high proportion of members of these clubs and general ice users are Slough residents, for example, 80% of the Slough Jets junior squad and 70% of SPICE members are young people who live in Slough.
- 5.4 Taking part in any form of sport and physical activity is beneficial to health but ice activity is particularly important as its primary user groups are children and young people. Current data indicates that 2 in 5 children attending Slough schools are classed as overweight. Taking part in regular activity is proven to assist with weight management. The rink is also used by individuals with both physical and learning disabilities, addressing both health and mental wellbeing.
- 5.5 Officers have explored various options to phase the capital works required to minimise the closure period of the Ice Arena. Inevitably as a result of the extensive nature of the works required to the roof and plant, to allow the facility to remain open would pose significant health and safety risks to users. Therefore a decision to close the rink over the complete period of works was agreed.
- 5.6 To mitigate the effect of the impact of the period of temporary closure on the most disadvantaged service users, a range of options have to date been considered as possible alternatives during the period of closure. Namely:
- i. A phased closure to the major capital works as detailed in 5.5.
 - ii. Provision of a temporary ice rink over the period of closure as detailed in section 5.9. It is estimated that the provision of a temporary rink over the closure period would cost the council in excess of £632K.

- iii. The Council approach other private commercial ice companies to see if this would be a viable option for them to provide a facility. See sections 5.10 and 5.11.
 - iv. The Council to contact other local ice rink facilities to identify free ice time.
 - v. Look to support transport for a protected group if alternative ice time at other venue could be found.
 - vi. Look to provide alternative activity on Sundays – local sports hall with activity coaches etc
 - vii. Look to delay the refurbishment works to 2017 to coincide with the end of peak time annual usage of the rink. Refer to section 5.12
- 5.7 In light of the costs associated with a temporary facility, a decision to not provide any temporary provision was agreed initially.
- 5.8 However, not providing a temporary ice provision has raised concerns with user groups and residents alike and the Council has listened to those concerns.
- 5.9 A temporary ice rink provider approached the Council to offer a temporary rink solution. Their outline proposal offered to supply, construct and operate a full size temporary rink facility (based on the Cardiff temporary facility). The Council was required to identify and provide a suitable site with planning permission, undertake pre-enabling works and contribute towards utility costs for the period of operation.
- 5.10 The council's initial research into a temporary rink solution was based on companies supplying the rink only and no enabling or operating costs were included.
- A rink 25m x 25m – installation only costed at £275K without any enabling works, utility costs, staffing or security. A rink of this size would have very limited use.
 - A rink 56m x 26m – installation and hire for 9 months between £750K and £1.2 million. This does not include enabling works, utility costs, staffing or security. This size rink is suitable for most ice activity

Enabling works are estimated in the region of £200K to £500K depending on the choice of site of the facility and the proximity of utility supplies (electricity and water). Costs are difficult to calculate until the proposed site is confirmed. It is unlikely that any rink provider would take on these costs. The council would still need to commission a third party operator if this option was agreed.

- 5.11 A proposal from Slough Community Leisure to provide and operate a temporary ice facility over the closure period was received by the Council in June 2016. The proposal was to install a 30m x 20m temporary rink in the Montem Leisure Centre sports hall. This would subsequently put this well used facility out of use and would cause irreparable damage to the sports hall floor. The size of the rink would also not be appropriate for all ice activity, particularly ice hockey which currently use the facility on average for 22 hours a week. Their proposal to provide a temporary ice rink at comes with a number of caveats including:
- I. The council agreeing to a 10 year management contract for the future operation of ice to Absolutely

- II. The council agreeing to a 50 year lease on Ten Pin to Absolutely
- III. The council agreeing to a 20 year management agreement for Ten Pin to Absolutely

The Council believes that the overall proposals from Slough Community Leisure are inimicable to the Council's long term strategy. The council is planning to go out to the market for a new leisure operator, through a competitive tendering process with the OJEU notice advertised from 1st August 2016. Entering into such an agreement with SCL would likely to be met by a legal challenge from other leisure providers, who have already attended a 'bidders day' in Slough in May of this year.

5.12 An option to delay the refurbishment works to 2017 to enable peak annual use, competition and events to be carried out at the rink has been investigated. This was also requested by user groups as part of the user consultation events, facilitated by the Council. Going ahead with this option would result in increased capital costs to the refurbishments works as detailed in section 4a of this report. It would also have an impact on the legal proceedings between the council and SCL detailed in section 4b of this report.

5.13 **Estimated Costs**

The temporary ice proposal detailed in 5.9 includes a fully enclosed and secure ice rink, complete with the following:

- Full operations and management, including staffing
- Ice re-surfacer (Zamboni)
- Rink suitable for all ice activity, including competitive ice hockey
- Seating for up to 300 spectators
- Reception
- Changing area
- Toilets
- Skate hire

The Council will be required to provide the following components:

- The site
- Temporary car park
- Planning permission
- Civil works
- Connections for utilities
- Contribution to costs of utilities

5.14 A breakdown of costs are detailed in the table below

ITEM	COSTS ££
Temporary car park	200,000
Civil works / prelims	15,000
Utilities – enabling works	73,000
Utilities – running costs	180,000

Planning application	12,000
CCTV	10,000
Highways - lighting	11,000
Highways – road widening	41,000
Sub total -	542,000
Phase 1 – Montem site; housing development delay	90,000
TOTAL	632,000

5.15 Timescales

Estimated timescales are detailed in the table below

	DURATION	START DATE	COMPLETION
Contract with operator	1 week	August 2016	September 2016
Planning	13 weeks	August 2016	November 2016
Pre-construction	2 weeks	September 2016	October 2016
Highways and transport works	6 weeks	October 2016	November 2016
Temporary rink construction	8 weeks	October 2016	November / December 2016
Ice Arena refurbishment	9 – 12 months	1 st November 2016	1 st November 2017
Temporary rink decommission	6 weeks	2 nd November 2016	15 th December 2016

5.16 Car parking proposals may necessitate road widening schemes to be actioned to ensure access for emergency vehicles. In addition the temporary scheme will prevent coaches from entering and waiting in Montem car park. It was proposed to suspend and relocate the disabled parking bays in front of the leisure centre to enable coaches to park up and drop off. However this bay is restricted in size and can accommodate only one coach, therefore coaches will need to move and find an alternative waiting location.

5.17 The planned housing development of the Montem site is due to commence in autumn 2016. The temporary ice provision will delay phase 1 of the housing development by 3 months if the November deadline is adhered to. This results to around £90K extra costs. This figure has been included in the cost breakdown as a cost of the temporary ice provision. Any further delays will result in additional costs to the housing development.

6 Comments of Other Committees

At its meeting on 14th July, the Overview and Scrutiny Committee, considered a report which set out options for the provision of a temporary ice rink. The recommendation made to Cabinet is set out in a separate reference report.

7 **Conclusion**

- 7.1 The Council's aspirations for the development and improvement of Slough Ice Arena requires the facility to close for a minimum period of nine months to enable the works to be completed. The closure of the facility has received much opposition from current users, who have requested a temporary facility to be provided.
- 7.2 Council officers have been approached by an ice provider with a proposal for a temporary ice scheme to cover the period of this closure at an estimated cost to the Council of around £632k. Due to the delay in the council making a decision on this scheme we have been informed that costs are likely to increase.
- 7.3 The provision of a temporary ice scheme will ensure that current users, a high percentage of young people who are resident in Slough, will be able to continue to skate, despite the temporary closure of the permanent facility. Continuity of service provision is an important area to consider for the successful re-opening of the facility in the autumn 2017.

8 **Appendices Attached**

- 1. Ice Arena catchment area

9 **Background Papers**

- '1' Leisure Strategy Cabinet Report – January 2016