

## **Community & Corporate O&S Committee – 28 November 2023**

### **Draft Minute on St Crispin’s Leisure Centre – Item 69**

The Committee considered a report, set out in the Supplementary Agenda, which provided further information on the business case for the proposal to close the St Crispin’s Leisure Centre and transfer the asset to the school (Circle Trust) in order to support the delivery of additional school places. This followed the decision of the Committee, at its meeting on 14 November 2023, to request that the relevant Executive Members review the draft Executive report, presented to that meeting, in order to address issues raised by the Committee, viz:

- better protection for the Council’s assets;
- clarity on what happens if the demand for school places is a bulge and comes back down afterwards;
- clarity on the operating arrangements for the school holidays and outside of school hours;
- reinforcement of the maintenance arrangements;
- protection for community use going forwards.

Councillor Prue Bray (Executive Member for Children’s Services) and Councillor Ian Shenton (Executive Member for Environment, Sport and Leisure) attended the meeting to present the report and answer Member questions. Also in attendance were Graham Ebers (Deputy Chief Executive), Helen Watson (Director of Children’s Services), Ginny Rhodes (Chief Executive of the Circle Trust), Andy Hinchliff (Head Teacher at St Crispin’s School) and Tony Penge (Operations Manager for Places for Leisure - the Council’s contractor).

The report reminded Members that, in June 2023, the Council’s Executive had approved a public consultation on the future of the St Crispin’s Leisure Centre. The outcomes of the consultation, relating to five options, were reported to the Committee at its meeting on 14 November 2023 in the form of a draft Executive report. Following the issues raised by the Committee, an updated Executive report had been produced which would be considered by the Executive at its meeting on 30 November 2023. The Committee was requested to consider this updated report and make recommendations to the Executive as appropriate.

Graham Ebers introduced the report and highlighted the changes to the Executive report considered at the meeting on 14 November 2023. The most significant change was the addition of an Appendix which set out the Outline Business Case for the future operation of the leisure centre and the proposal to transfer the facility to the school (Circle Trust) in order to support school expansion and the delivery of additional school places in line with the Council’s statutory duty relating to secondary school provision.

The Outline Business Case stated that the Council had a statutory duty to provide school places for every child whose parents wanted one. This could involve sending children to schools out of the Borough and/or the provision of additional buildings.

The proposals relating to St Crispin's would provide a cost-effective solution whilst protecting existing uses of the leisure centre via a legal agreement with the Circle Trust. The Trust had made a commitment to maintain and develop the leisure centre, support community groups using the centre (including squash users) and to welcome charities and groups who wished to use the site for events and gatherings outside of school hours.

It was confirmed that, following discussions with the Trust and Places for Leisure, all existing community users outside school hours could be accommodated at the St Crispin's site. Some sports/leisure users could be accommodated at other Places for Leisure sites such as the BXG FIT fitness centre in Peach Place. Places for Leisure had also confirmed that they would support the provision of activities at the Montague Park Community Centre, subject to the Council being able to make the centre financially viable. Members suggested that the financial viability assessment for the Montague Park centre be progressed in order to provide clarity on its potential operation and uses.

It was noted that a small number of squash players currently used the St Crispin's facility during school hours. These users could either move to using the courts outside of school hours or move to other squash providers in the area. It was noted that the disbenefit caused for a small number of squash players had to be balanced against the benefit to families in the Borough from the provision of additional school places in line with the Council's statutory duty.

In relation to value for money, it was noted that the cost of the proposal to the Council was a £1m contribution to the Circle Trust in order to facilitate the delivery of 55 school places per year over six years. Current projections indicated that these additional places would be needed over the six year period and beyond. The contribution of £1m was felt to be good value for money compared to other options for increasing the number of school places such as new build or the repurposing of other Council-owned property. It was estimated that alternative provision, if identified and depending on timescales, was likely to have a Capital cost over £5m.

In the ensuing discussion, Members raised the following points and questions.

What certainty was there that existing uses of the leisure centre, outside school hours, would continue to be delivered? It was confirmed that the agreement with the Circle Trust would be underpinned by a legal agreement. This would include clauses stipulating that squash provision would continue along with community uses, ongoing maintenance and infrastructure management. Capital investment in the facility would become the responsibility of the Trust. The legal agreement stipulated that, if the Trust wished to end the lease or became insolvent, the asset would be transferred to any incoming trust or would revert to the Council.

Ginny Rhodes confirmed that the Circle Trust was a charity which was committed to working with the local community. This was important as the local community contained many families whose children attended the school. The Trust welcomed innovation and would welcome new users to the centre.

In relation to the provision of additional school places, was St Crispin's the most suitable location or should this be considered as part of the wider strategy across the Borough, i.e. creating extra capacity in areas where demand was highest? It was confirmed that discussions were ongoing with all schools about the potential for extra capacity. However, the proposal for St Crispin's would provide high quality spaces at a value for money cost to the Council, in partnership with a supportive trust. It was also noted that the delivery of parental preference for places meant that children travelled around the Borough and would continue to do so. St Crispin's was a popular school and was regularly over-subscribed.

In relation to the profitability of the St Crispin's leisure centre, what was the current situation? It was confirmed that the centre was not currently making a profit. However, the implications of this for the leisure contract, i.e. the management payment from Places for Leisure to the Council would be considered as part of the assessment of the overall contract over time. This would fluctuate over the life of the contract and would be addressed through the Equalisation Fund. There was no expectation of a negative impact on the Council's Revenue budget relating to the leisure centre.

As discussed at the previous meeting, was there an option for the Council to retain the asset and reach an agreement where the school had use of the centre during school hours and Places for Leisure took over outside of school hours? It was confirmed that hybrid options had been discussed with the Trust and Places for Leisure. Neither felt that such an option would work in practice with, for example, challenges in handing over control and clarity on the responsibilities of both organisations. Ginny Rhodes stated that the Trust recognised the challenges relating to operating the centre outside school hours, but was committed to delivering on the commitments set out in the report. This included continued support for the Friday Night Disco provision for the ARC community.

Members felt that, if the proposals relating to the leisure centre were approved by the Executive, it would be useful for the Committee to review progress in 2024/25 and to widen this review to other sites in the Borough where schools were involved in the management of sports/leisure facilities.

If the school took over the operation of the leisure centre, what was the likelihood of an increase in charges for users? This was especially relevant as the area around the leisure centre contained some of the highest levels of deprivation in the Borough. Ginny Rhodes confirmed that the Trust was aware of the challenges facing local residents and the need for sensitive pricing at the centre. There was no intention for immediate price increases. The financial situation would be monitored closely by the Trust.

The Chair thanked Ginny Rhodes and Andy Hinchliff for attending the meeting and thanked the Executive Members and officers for the additional work undertaken to provide responses to the points raised by the Committee at its previous meeting.

**RESOLVED** That:

- 1) the recommendations in the St Crispin's Leisure Centre report to the Executive, on 30 November 2023, be supported;
- 2) officers be requested to progress the financial viability assessment relating to the Montague Park Community Centre;
- 3) progress on the agreement between the Council and the Circle Trust, along with all other agreements involving schools and leisure facilities, be the subject of a report to the Committee within 12 months.