

Agenda Item 9.

TITLE	Implementing the Leisure Strategy
FOR CONSIDERATION BY	The Executive on Thursday, 24 June 2021
WARD	None specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Environment and Leisure - Parry Batth

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Approve two new leisure developments to take forward the draft leisure strategy by further enhancing the Council's facilities to increase physical activity and improve wellbeing.

RECOMMENDATION

That the Executive approves the following:

- 1) a new boxing fitness hub based in a first floor unit in Peach Place, Wokingham. This is to be managed by WBC Sport and Leisure team and approval for all associated fees and charges to be agreed for the hub as set in Schedule 1;
- 2) the borrowing of £630k for the hub which will be funded by income from the activities, resulting in a surplus after all costs on average of £80k p.a.;
- 3) a new 3G pitch and additional car parking located at Laurel Park, subject to funding and planning, and borrowing of £300k to be self-financed by project.

EXECUTIVE SUMMARY

Boxing fitness hub

Local research of the current fitness trends identified that combat sports and fitness session attendances are on the rise and is something that is growing. This is demonstrated through national studies that have found boxing participation has increased by 15% between 2016 and 2020 to 774,000 people, and in particular female participation increased by 18% from 2015 to 2019. In a government and Sport England study boxing and martial art were the most frequently attended activities with 16% attending more than 4 times per week. Greater weekly attendance than gym, swimming, racket sports, team sports and more. As Wokingham do not have a dedicated boxing fitness hub this was seen as an opportunity, supporting the increased demand for the sport.

In line with the town centre regeneration an opportunity for a high-end fitness studio with classes as its main attraction to fit in on-brand with local developments around the town became available.

Focus will be on combat exercises classes and free-box sessions for training and exercise purposes. The fitness hub will be equipped with bespoke equipment different from all other local “gym” types. The space also allows further development to work alongside self-defence partners in the area as well as support young individuals in the borough.

Laurel Park

Following the outcome of data from the current Playing Pitch Strategy showing that Wokingham has over 540 football teams and in need of an additional 3G pitches. Laurel Park’s pitches were rated as ‘poor’ within the strategy, maintenance works have commenced on the pitches to bring the level back to good quality. In line with the large use of youth and adult teams, it is proposed to install a new 3G pitch and additional parking so that players do not have to travel outside of the borough.

BACKGROUND

Boxing fitness hub

Executive March 21 agreed the draft Leisure strategy for consultation and the response to this will inform and shape the strategy and its delivery going forward. However, in the meantime the Council has an opportunity to further enhance its leisure provision for the community through the provision of a new 3G pitch and a boxing club. Approval for these two new developments will support key outcomes in the draft Leisure Strategy, increasing the amount of exercise in line with public health guidelines (completing 150 mins exercise of moderate intensity or 75 mins of vigorous intensity/week) and supporting healthy weight management for residents within the borough.

The developments will help support targeted groups outlined in the strategy, reducing the health and wellbeing gap within the borough. It will also support our residents to lead happy, healthy lives and provide access to good leisure facilities to compliment an active lifestyle in line with the Corporate Delivery Plan.

There are also key links with the strategic themes:

- Safe and strong communities
- Enriching lives
- A clean and green borough
- Keeping the Borough Moving

Research taken place locally shows that combat sports and fitness sessions are becoming more popular nationwide with many facilities opening around the country, mainly around the London area. An opportunity to embrace this trend in popularity has arisen in Wokingham, with a Boxing fitness studio located in Peach Place. The new boutique boxing and combat style fitness hub for the residents will bring a new style of space to the borough to exercise and help promote positive physical and mental health.

With the regeneration of the town centre in full flow an opportunity was identified for a high-end boxing studio with classes as its main attraction to fit in on-brand with local developments around the town and occupy one of the prime units. It is envisaged to create a rustic but quality destination to offer something new to people wanting to get active and to those who are currently active with a different experience to what they have already been a member of.

The boxing space also allows further development to work alongside self-defence partners in the area as well as support young individuals in the borough, something that is very relevant and on-topic with events in recent time and something important to address within the borough.

The boxing club will also provide a commercial proposition for the Council and the business case with associated implementation timeframe is set out below.

A boxing fitness hub will help tackle healthy weight management in the borough for all ages including children 8+ and adults, promoting positive social, mental and physical wellbeing/health by creating a new opportunity to become or stay active. It will also help

address anti-social behaviour by working with the crime prevention team in the borough providing off-peak sessions to help create discipline through the art of boxing, combat sports and martial arts. This will include sessions for youth offenders at a subsidised cost. This will help address provisions for the youth within the borough helping find a safe place to socialise and exercise as a release away from normal life. It will also enable the Council to work in partnership with the local boxing clubs within the borough and also target areas of deprivation to help improve the health and wellbeing of these residents.

We will use the off-peak times for sessions working alongside the Crime-prevention team and with youth offender groups (outside of the usual pre/post working day & lunchtimes as well as Sunday evenings) and local boxing club hire. This will enable us to maintain the high -level experience for our members. The cost for the hire during these off-peak times will be to the group using the space rather than the individual.

We also believe the Boxing hub will help engage with the BAME community. In the last 2 Olympics 87% of medal winners in boxing for GB have been from a BAME background and we see the sport inspiring young individuals from all backgrounds to take part. Boxing is also unique where 25% of its board members are from a BAME background and although more can be done this is among the highest percentage in the UK.

Laurel Park

The Council has made representations to the Berks and Bucks FA association and the Football Foundation for support in creating a new 3G pitch in the borough and Laurel Park has been put forward as an ideal location (to supplement existing facilities across the borough). The new 3G pitch is much needed for regular users and football clubs in the local area who will no longer have to travel to use other 3G pitches, thereby promoting local use and supporting a key outcome of physical activity sessions offered in outdoor spaces. It will also reduce congestion as many teams are having to go outside the borough to train.

Furthermore, the location would enable two primary schools within walking distance to utilise the pitch and a partnership with Reading Football club Kicks programme to help address anti-social behaviour and enhance integration.

BUSINESS CASE

Boxing fitness hub

By opening a boxing fitness hub it will create job opportunities within the Borough both full-time and casual. The Kickstart scheme could also be used to create roles for 16-25 year olds to work as fitness hub attendants and gain some associated qualifications, these will be targeted at the unemployed 16 – 25 year olds.

The fitness hub will be managed, in-house, by WBC Sport & Leisure with a Fitness Hub Manager, fitness attendants and external coaches (self-employed) running the classes. There is the option to host virtual classes run through monitors.

Local Membership Authority Benchmarking

COUNCIL/ GYM	YOUTH MEMBERSHIP	OTHER MEMBERSHIPS	MAIN MEMBERSHIPS
Haringey Council	14-18 years Olds - £20 set-up fee. Members £2/class, non-members £3.50/class.		Affiliated with Total Box Centre Memberships - £59-129/MONTH
			UNLIMITED GYM + 5 CLASSES = £59/MONTH UNLIMITED GYM + 10 CLASSES = £89/MONTH UNLIMITED GYM + 20 CLASSES = £129/MONTH
Thame Council	4-15 YEAR OLDS £30/MONTH	Corporate & Duke of Edinburgh Memberships £25/MONTH	Affiliated with Invictus Boxing Gym
			UNLIMITED MONTHLY £45/MONTH ANNUAL £450/YEAR
London Community Boxing Club – Run in partnership with a London Borough of Southwark.	Under 16s = £1/class Over 16s = £5/class		

Proposed Opening times, Structure and Timetable - Hours per week – 114 hours

Monday to Friday 6AM to 10PM
 Saturday 8AM to 8PM
 Sunday 8AM to 8PM

There will be “Free-box” (FB) time, which will be free use of the fitness hub facilities from the combat equipment to the functional training equipment. There will be 28-35 class sessions available ranging from boxing style classes, combat classes to functional circuit classes and a mixture.

Proposed Pricing Structure

Further to recent benchmarking within the London Borough and onsite visits it was felt the fees and charges could be increased by an additional 10%, maximising income generation and contributing to the increased tender costs (due to COVID-19 there is a national increase in materials and plant costs) recently received.

Fee's and Charges to be agreed in Schedule 1.

There is a further opportunity for secondary income through sales and merchandise. (detailed in Schedule 1).

- Clothing and merchandise – Caps, Bobble Hats, Hoodies, Training tops
- Fitness accessories and equipment - Bottles, Shakers, Gloves, Hand/Wrist Wraps, Skipping ropes
- Protein shakes and Snacks

We will look to build up a comprehensive and diverse membership base, supporting to achieve one of our targets within the leisure strategy to reach those targeted groups of inactivity.

- Interest in boxing & combat training
- Amateur combat participants for training
- General public looking to improve physical & mental wellbeing
- Self-defence – through self-defence classes e.g. Female self-defence
- Local boxing clubs e.g. Pinewood Stars
- Youth offender groups
- BAME community
- Target health weight management for all ages

A differentiated charging structure will be introduced to encourage this.

Equipment

A new gym floor has been designed with a variety of equipment bespoke to a Boxing fitness hub, the main aims of the gym is to provide combat/boxing stations through a variety of “bags” and “stations”. We have chosen equipment we think best to reduce noise pollution to the unit below. Prior to the fitting out an acoustic assessment will be made in order to minimise the sound transfer within the fitness hub.

We have selected a floor based 16ft training ring for pad work and will have the BXGFIT branding. Local boxing clubs such as Pinewood Stars, who will be able to hire out the boxing space for training purposes, can use the training ring. There is an opportunity for sponsorship on the ring and ring ends, which can increase income opportunities.

There will be a DDA compliant unisex disabled toilet and changing facility with access for disabled use. There is a lift from the ground floor to the first floor for disabled access. A staff breakout room will be included as a kitchenette design for teas, coffees and lunches with a sink, microwave and blender.

Timescales

Task	Duration
Design consultant appointment	1 week
Prepare detailed design	4 weeks
Tender Period	4 weeks
Tender Assessment	1 week
Lead-in period	2 weeks
Work on site	8 weeks
Total	20 weeks

To be launched late summer 2021.

Finances

BOXING GYM	INCOME	EXPERNDITURE	PROFIT
YEAR 1	£334,200	£246,970	£87,230
YEAR 2	£350,910	£271,470	£79,440
YEAR 3	£368,455	£271,470	£96,985

Income Estimates:

REVENUE	YEAR 1	YEAR 2	YEAR 3
MEMBERSHIP BOX CLASSES	£ 39,600	£ 41,580	£ 43,659
MEMBERSHIP FREE BOX	£ 39,600	£ 41,580	£ 43,659
MEMBERSHIP PREMIUM	£ 79,200	£ 83,160	£ 87,318
PAYG Box CLASSES	£ 39,600	£ 41,580	£ 43,659
PAYG FREE BOX	£ 66,000	£ 69,300	£ 72,765
MERCHANDISE	£ 20,000	£ 21,000	£ 22,050
FOOD & DRINK	£ 12,000	£ 12,600	£ 13,230
EQUIPMENT	£ 7,000	£ 7,350	£ 7,718
BOX HIRE	£ 31,200	£ 32,760	£ 34,398
TOTAL REVENUE	£ 334,200.00	£ 350,910.00	£ 368,455

Expenditure Estimates:

EXPENDITURE	YEAR 1	YEAR 2	YEAR 3
RENT	£ -	£ 30,000	£ 30,000
BUSINESS RATES	£ 15,000	£ 15,000	£ 15,000
STAFF - MANAGER	£ 30,000	£ 30,000	£ 30,000
STAFF - BOX STAFF	£ 50,000	£ 50,000	£ 50,000
STAFF - CLASSES INSTRUCTOR	£ 30,000	£ 30,000	£ 30,000
LOAN	£ 63,970	£ 63,970	£ 63,970
UNIFORM	£ 1,000	£ 1,000	£ 1,000
INSURANCE	£ 4,000	£ 4,000	£ 4,000
PHONES	£ 1,500	£ 1,500	£ 1,500
STAFF TRAINING	£ 2,000	£ 1,000	£ 1,000
IT & CARD SUBSCRIPTION	£ 1,000	£ 1,000	£ 1,000
LICENCES	£ 3,000	£ 1,500	£ 1,500

UTILITIES			
GAS	£ 3,000	£ 3,000	£ 3,000
ELEC	£ 8,000	£ 8,000	£ 8,000
WATER & SEWAGE	£ 5,000	£ 5,000	£ 5,000
BUILDING REPAIRS	£ 3,000	£ 3,000	£ 3,000
EQUIPMENT MAINTENANCE	£ 1,000	£ 1,000	£ 1,000
CLEANING	£ 7,500	£ 7,500	£ 7,500
FOOD & BEVERAGES	£ 6,000	£ 6,000	£ 6,000
MERCHANDISE PURCHASE	£ 5,000	£ 5,000	£ 5,000
REFUSE	£ 2,000	£ 2,000	£ 2,000
MARKETING	£ 5,000	£ 2,000	£ 2,000

EXPENDITURE - TOTAL	£ 246,970	£ 271,470	£ 271,470
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Profit Estimates:

NET PROFIT	£ 87,230	£ 79,440	£ 96,985
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Laurel Park **Business Case**

The sport and leisure team have been very successful in the past four years to secure funding for 3 other projects, totalling around £1.5m from the Football Foundation for additional 3G pitches and pavilions. Therefore will be working with the Football Foundation for Laurel Park, again already working very closely with them, they have asked us to proceed with the new project.

Following the outcome of data from the current Playing Pitch Strategy showing that Wokingham has over 540 football teams and in line with the leisure strategy regarding investment the need of an additional 3G pitches. Laurel Park's pitches were rated as 'poor' within the strategy, maintenance works have commenced on the pitches to bring the level back to good quality. In line with the large use of youth and adult teams, it is proposed to install a new 3G pitch and additional parking so that players do not have to travel outside of the borough.

The planning application is to be submitted Summer 2021; the football foundation bid will be submitted February 2022 with a final decision to be made in June 2022. If planning permission granted work will commence within 4 weeks of the decision. As part of the football foundation bid, we have two partner clubs who will play on the new 3G pitch, Laurel Park FC and Whiteknights FC allowing local teams to be based within the borough. The fees and charges are already incorporated within current fees and charges for all 3G pitches.

The cost of the 3G pitch with associated works is around £800k with a contribution of £300k from WBC and the remainder from the Football Foundation of around £500k.

Details of the Income and Expenditure for 3-year period below.

LAUREL PARK 3G	YEAR 1	YEAR 2	YEAR 3
INCOME	£60,000	£61,800	£63,654
Maintenance	£5,500	£5,500	£5,500
Utility Cost	£4,000	£4,000	£4,000
Loan Repayment	£26,000	£26,000	£26,000
EXPENDITURE TOTAL	£35,500	£35,500	£35,500
PROFIT	£24,500	£25,300	£28,154

Any additional profit will be paid into the sinking fund contribution.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1) 2021/22	Boxing £630,000k Income: Year 1 £334,200 Expen: Year 1 £246,970 Estimated net profit for: Year 1 £87,230	Yes	Capital
Next Financial Year (Year 2) 2022/23	Laurel Park £300k £500k Football Foundation grant Income £60,000 Expenditure £35,500 Profit: £24,500 Boxing: Income Year 2 £350,910 Expen Year 2 £271,470 Profit	no	Capital Football foundation grant

	Year 2 £79,440		
Following Financial Year (Year 3)	Boxing: Income Year 3 £368,455 Expen Year 3 £271,470 Profit Year 3 £96,985 Laurel Park Income £61,800 Expenditure: £35,500 Profit: £25,300	n/a	n/a

Other Financial Information
This is a project that attracts funding from the Football Foundation, subject to a contribution from Wokingham Borough Council. Given the enhancement generated and the level of grant it attracts, it is a sound business case to proceed at this time on works that would be likely to have been proposed at a later stage in the programme. There is a provisional allocation already agreed from the 'Capital Contingency' budget within the agreed programme so there will be no impact on the overall capital programme.

Stakeholder Considerations and Consultation
Leisure consultations to take place for the strategy and the boutique boxing and combat fitness hub between May to July, Laurel park consultation is within the planning process.

Public Sector Equality Duty
Equalities assessment will be carried out for both developments.

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030
The town centre boxing location will allow residents to walk or cycle and Laurel Park will allow teams to no longer travel outside the borough to access a 3G pitch.

List of Background Papers
Leisure Strategy

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