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| TITLE | St Crispin's Leisure Centre |
| FOR CONSIDERATION BY | The Executive on 30 November 2023 |
| WARD | (All Wards); |
| LEAD OFFICER | Deputy Chief Executive - Graham Ebers Director of Children's Services – Helen Watson |
| LEAD MEMBER | Executive Member for Environment, Sport and Leisure - Ian Shenton Deputy Leader of the Council and Executive Member for Children's Services – Prue Bray |

PURPOSE OF REPORT

During the summer a consultation was carried out on the future of St Crispin's Leisure Centre. The Council wished to get input on the future of the Leisure Centre and its site from residents and users of its facilities, due to a decline in usage and concerns expressed by St Crispin's School, which adjoins the Leisure Centre and uses it for various educational purposes. The consultation asked for views on a number of options for the site, as detailed in the report below. The consultation responses have now been analysed and are being reported back to the Executive for a decision on the future of the Leisure Centre.

The Consultation has been considered in the following context that informs the recommendations of this report as follows;

- There is significant pressure on secondary school places and as mentioned below there is an opportunity to expand St Crispin's School which if not taken, it is likely that there will be a shortfall in places in September 2024.
- Transfer of the site was included in the consultation and although retention of the site for the Leisure Centre was the most popular outcome of the consultation, it should be noted that consultations are carried out in order to assist with decision-making, and, while they should be given consideration, they are only one factor that needs to be taken into account when a decision is made.

As at the latest census in 2021, there were 177,502 people living in Wokingham Borough. That is 15% more people than in the previous census 10 years prior in 2011, when the population was 145,380 people.

According to the ONS, as of 2021, Wokingham is the 28th most densely populated of the South East's 64 local authority areas. The population of Wokingham has been increasing by approximately 12% every 10 years, based on population changes between 1981 and 2021. Therefore, if the population continues to rise in line with this average, then in 2031 the population in Wokingham could be at nearly 200,000 people. The population increase in Wokingham has resulted in an unusual pattern of emerging secondary school place shortage for local young residents.

There is an opportunity to help the Borough Council to fulfil its legal duty for sufficient school places in the area by approving the transfer of land to St Crispin's School (The Circle Trust) enabling the school to continue to deliver 55 extra places each year in the next five years. This will be subject to associated conditions of transfer and use of the site so as not to detract from contractual issues within the Leisure contract with Places for Leisure.

The existing leisure centre can be repurposed for dedicated school provision through small scale of work schemes, which would need to be specified and delivered by the Trust after the handover.

Subject to the Executive approval of the recommended option, the Council is proposing a funding of £1m to the Trust to enable them to enable the Trust to make any necessary adaption for extra school places until 2029.

The report also provides a short summary update on the reduced usage of the site since the pandemic and opening of the new facilities in Wokingham Town Centre and results of consultation undertaken during the summer 2023.

RECOMMENDATION

That the Executive:

1. Notes the findings of the public consultation on the Future use of St Crispin's Leisure Centre.
2. Notes the Council's legal responsibility in securing sufficient school places for local residents.
3. Approves in principle the closure of St Crispin's Leisure Centre and transfer of the land to St Crispin's School (The Circle Trust) to fulfil the school placement requirements and to continue to deliver 55 extra place each year in the next five years; subject to detailed agreement with the trust with lease arrangement under relevant Academy regulations.
4. Notes that the revenue impact of ending the Council's Leisure contractors' utilisation of the premises will be funded through the Leisure Management Equalisation Fund.
5. Notes that the capital expenditure of £1m for works is funded from the secondary school's expansion budget already approved as part of the 2023/24 capital programme.
6. Note the Circle Trust is keen to work with the Council and Local Communities to continue the local squash provision in addition to the current community activities the school provide.

7. Notes that any repurposing of the school must also include the requirements of the Council to deliver a polling station at the site for elections as per requirements set out.
8. Delegates authority to the Director of Resources and Assets and Director of Childrens Services, in consultation with the Executive Member for Environment, Sport and Leisure, the Executive Member for Children's Services and the Leader of the Council, to enter into negotiation with Places Leisure to facilitate the closure of St Crispin's Leisure Centre and with The Circle Trust to secure the provision of additional school places and the transfer of the land and buildings from the Council to The Circle Trust.
9. Delegates authority to the Director of Resources and Assets and Director of Childrens Services, in consultation with the Executive Member for Environment, Sport and Leisure, the Executive Member for Children's Services and the Leader of the Council, to enter into negotiation with Places Leisure with regards to the running of leisure activities at Montague Park Community Centre or elsewhere which will be subject to a financial viability test.
10. Notes the attached Appendix that provides additional information to support the proposal, following the consideration by Community and Corporate Overview and Scrutiny Committee on 14th November 2023.

EXECUTIVE SUMMARY

There is an urgent need for additional secondary school places across the Borough and St Crispin's School (The Circle Trust) has been identified as an opportunity to fulfil the school placement requirements and to continue to deliver 55 extra places each year in the next five years. The local authority has a statutory duty to provide sufficient secondary school places in the area.

In June 2023, the Executive gave approval for a public consultation on the future of St Crispin's Leisure Centre, including an option of closing the leisure centre, and considering all potential options for the future use of the site. The use of the site continues to reduce since the pandemic and the opening of new leisure facilities in Wokingham Town Centre.

The public consultation took place for a period of 8 weeks, both in person and face to face. This report provides the findings of the consultation and a more in-depth feasibility for each of the five options.

BACKGROUND

School place sufficiency forecasting for Wokingham indicates that the Borough has a total shortage of 1,045 Year 7 places at secondary schools in the next five academic years.

Furthermore, in planning for secondary school places, the provision of 5% quality school place surplus is considered the optimum level of sufficiency in terms of value for money

school place planning. In other words, having a 5% surplus, instead of only filling the gap of 1,045 place shortage, would achieve value for money by avoiding costly last minute crisis management of school place shortage. The Council has been working hard with its school partners to plan and ensure the appropriate level of sufficiency of places for the next five years. This level of sufficiency has not yet been secured. The ability to secure an additional 55 school places each of next five years from St Crispin's School would contribute positively, as a value for money option to achieving the optimum level of sufficiency in secondary school places. Failing to secure these extra school places would lead to the need to explore other significantly more costly school expansion options, availability of which are very limited and would not be value for money in a small borough.

St Crispin's Leisure Centre is operated by Places Leisure under the contract to Wokingham Borough Council. The Centre has seen over 30% reduction in footfall since re-opening post pandemic, with particularly reduction in footfall in the over 60s demographic. The new Wokingham Leisure Centre at the Carnival Hub opened in July 2022, also operated by Places Leisure, and has continued to draw customers away from St Crispin's.

Prior to Covid, the majority of members were St Crispin's site only members (63.9%) and used this site exclusively, the multi-site usage was considerably lower and the main reason for upgrade to multi-site was to use the swimming pool at the old Carnival.

Since the opening of the new Carnival Hub, we have seen the multi-site option being taken up by the majority of current and new St Crispin's members (70.92%) – their usage of Carnival Hub is for all facilities including swimming, gym, classes and badminton.

Data indicates now nearly 40% of St Crispin's members exclusively use Carnival Hub.

A high-level options appraisal was completed for five future options for the centre including retaining the site as is. At a meeting on 29 June 2023, the Executive approved a public consultation on the future of St Crispin's Leisure Centre, including an option of closing the leisure centre, and considering all potential options for the future use of the site.

The Executive decision of June 2023 noted that a report will be brought back to Executive following the consultation recommending the next steps.

This report constitutes this further report.

The Community and Corporate Overview and Scrutiny Committee considered the proposal on 14th November and requested further details to inform further consideration on 28th November. The additional information provided is included as an Appendix to this paper and the Chair of Overview and Scrutiny will report back to Executive on the outcome of the considerations on the 28th November.

BUSINESS CASE

Findings from Public Consultation

The public consultation, agreed by Executive on 29 June 2023, took place over an 8-week period commencing 10th July 23. A series of public meetings were held, and an on-line facility to comment was also provided to encourage greater resident participation.

A total of 940 responses were received. Independent expert advice was commissioned to analyse the findings in detail. A summary of these findings are appendix to this report. As would be expected in a consultation of this nature, most respondents did not support closure of the centre with main issues being loss of facilities (in particular squash courts) and support for the current location of the centre.

Among the options for potential alternative use of the asset, transfer to the Circle Trust was the most supported and disposal for residential development or mothballing receiving little or no support. Approximately 50% of respondents said they would consider using Wokingham Leisure Centre at Carnival Hub should St Crispin's close and approximately 20% indicated they would consider joining a private gym. There was a sizeable minority of respondents (156 in total) who did not indicate they would consider any alternative gym or form of regular exercise and would consider ceasing exercise altogether.

In recognition of the responses received in support of a continued leisure services offer, the Recommendation seeks to maintain this as far as possible, whilst meeting other community needs for this site.

Potential Opportunity to Enable Extra School Places from St Crispin's School

The Leisure Centre is located on a dual-use site with St Crispin's School. The school has grown in size since opening in 1953, with new teaching accommodation added over the years.

However, important core facilities are little altered since the school opened. In 1953 the school was a small Secondary Modern, that did not offer courses leading to public examinations. It is now growing towards being a 1,500-place school, with a sixth form and diverse curriculum offer and a designated exam and assessment centre that requires specific space to meet the relevant regulations.

The Circle Trust has indicated that it can provide 55 extra year 7 places at St Crispin's School each year between 2023/24 and 2028/29 academic year. This will be a total of 330 places in addition to the extra places already provided by the school. The further offer for next five years is dependent on WBC agreeing a range of additional facilities at St Crispin's School to ensure the school has sufficient capacity, with sufficient PE provision (including changing rooms), teaching accommodation, dining facilities, examination space and car parking spaces. Given the existing constrained nature of the site, with no opportunities to expand beyond the existing site boundaries and many of the existing buildings are Grade 2 listed, the site currently occupied by the leisure centre would be required to provide the floor area for some of these new and expanded facilities.

The existing leisure centre can be repurposed through small scale of work scheme, which would need to be specified and delivered by the Trust after the handover with the

aim to continue to deliver 55 extra place each year in the next five years while the school safeguarding arrangements to be extended to cover the whole site.

We understand that the trust would use the leisure centre mainly for PE based activity for the St Crispin's Secondary School, Wescott Infants and Westside Primary along with the 'weights room' being converted into classroom for secondary school pupils plus a dance studio, as well as its sole use for exams. The use of the changing rooms in the leisure centre will release the current temporary changing rooms in the secondary school's main building, which will then be reconfigured as teaching space. Subject to the Executive decision, all this planned repurposing and reconfiguration would directly or indirectly create extra classrooms and associated mandatory education facilities for the provision of extra school places.

Subject to the Executive approval of the recommended option, the Council is proposing a funding of £1m to the Trust to enable them to adapt the existing leisure centre for the provision of the agreed extra school places until 2029. The figure of £1 million represents good value for money with regard to the provision of the additional places. Any change of use of the centre would require planning permission.

Options appraisal

Taking into account the consultation responses received as set out above, an assessment of the five options is considered below.

Option 1: Retain site for the use of the Leisure Centre.

Current usage numbers are declining across the centre, with over 30% reduction in footfall versus pre-covid.

Retaining the use of the site as a leisure facility would require investment and a re-assessment of the facilities in line with demand seen in other centres within the Borough and across the leisure industry. Types of investment that could be considered include:

- Re-configure of studio space to additional activities/resources not currently offered.
- Spinning studio; Meeting and Community rooms and dedicated sport space such as martial arts.
- Review of existing classes and sports hall usage to drive and expand the offering as per current demand.
- Upgrades of the facility including upgrading the outside space and shared internal areas such as toilet and changing facilities.
- Re-brand of the site in line with potential usage changes supported by a comprehensive marketing plan.

The proposals above would require a level of investment of circa £1M for which there is currently no budget and no viable financial business case. Therefore, this option would be difficult to progress and is not recommended.

Option 2: Closure and transfer land to St Crispin's School (The Circle Trust).

This option delivers against the Council's statutory duty to provide adequate secondary school places, with costs representing value for money of £20k vs the national benchmark of £26k /per pupil space. This includes the estimate value of the Leisure Centre.

This option is the recommended option to the Executive, subject to associated conditions of transfer and use of the site with Places for Leisure.

A transfer of the asset to The Circle Trust would most likely be by way of a variation to the existing Academy Lease to include the area occupied by the leisure centre, on the existing terms. The timing of the transfer from one operator (Places Leisure) to another operator (The Circle Trust) would need careful coordination so as to limit the exposure of the Council to building costs liabilities such as business rates and security costs.

In this scenario of closure of the leisure centre the associated financial costs for a proposed closure under the leisure contract are detailed within the existing contractual agreement between the Council and Places Leisure.

In order to provide the additional capacity required by the school for educational use. it is anticipated that the Trust would need to utilise all the current leisure facilities. Therefore, the potential to re-provide for sports and leisure is not felt to be an option, consultation with the leisure provider to provide evening activities is likely not commercially viable, other community venues such as Montague Park for activities will be explored with the provider as part of this option and subject to existing contractual conditions. Reprovision at an alternative site would mitigate the impact of the closure of the existing facility and would particularly benefit those users who indicated that they do not wish to use Carnival Hub, either because of the additional distance from Wescott or because of its size.

Under the existing contractual agreement with our leisure provider and under clause 'Competing Facility' the Council must not sponsor any facility in a defined geographical area (within a 2-mile radius of another facility operated by the leisure provider) which they own that competes within the leisure market. The council would likely be liable for any income shortfall should this take place. Despite the foreseen difficulties, in final negotiations with the school and Places for Leisure the potential to continue some leisure services on the site will be discussed and if financially and operationally possible will form part of the final settlement.

This option delivers against the Council's statutory duty to provide adequate secondary school places, with costs representing value for money of £20k per pupil place comparing with the national benchmark of £26k per secondary school place expansion. This is based on an initial estimated value of the Leisure Centre plus the fundings required for its adaption and other facilities. Initial considerations suggest, if a suitable alternative site could be found for this number of school places the council would likely need to fund over £5m capital for their provision.

Additional issues with the current arrangement were that there is a shortage of car park space on the site and therefore conflicts over the school and leisure centre parking spaces, and that there are safeguarding issues for the school in having students and

unknown adults present on the site at the same time. Both of these could be resolved if this option was taken forward.

The option was the second most popular option of the consultation responses, citing the need to provide additional space at St Crispin's School and the overall need for more school places in the Borough.

This option is the recommended option to the Executive and will include working with the Circle Trust to continue with a local squash court provision in addition to the current community activities they provide; an intention put forward in their response to the consultation. Furthermore, the opportunity of providing the smaller site leisure activities desired by a number in the consultation response, will be explored at Montague Park Community Centre in partnership with our leisure contractors Places Leisure. This will be subject to a financial viability assessment.

Option 3: Use for other service

Within the consultation results residents were asked on opinions on the use of the site to provide other services. Out of 653 answers 41% were against it to be used for any other use, 20% wanted to ensure some community use remains.

For those residents that offered an answer on their thoughts for another service, suggestions included:

- Health services / GP / Dental / Dementia Care.
- Investing in children / young people / youth centre.
- A SEND school.
- Affordable / social housing.

In considering the use of the site for other service uses, consideration needs to be given to the demand/need for that service and the practical delivery of that use of the site (including size and proximity/co-location with the school).

Taking each of the suggested uses, a review has been carried out to confirm why these are not suitable for this site.

- Health Services - no identified health service demand in this area and no suggestion of an operator or delivery model that would operate here.
- Investing in children / young people / youth centre – the option recommended to the Executive would provide additional school places and therefore would provide investment into children within the Borough. A youth centre or other provision for young people has not been explored as part of this proposal, but this could be still provided in the building if it is transferred to the Circle Trust.
- SEND school – funding for two new SEND schools have been secured and these will be built at Rooks Nest Farm in Barkham. This site was not considered in the review for the delivery as the site was not available at the time and in any event would not have met the size requirements to deliver a SEND school. The Council has secured funding for SEND resource units and several opportunities have been identified which are more suited to deliver these around the Borough.

- Social housing / specialist housing need - see limitations on residential development under option 4.

As per option 2 above, in this scenario of closure of the leisure centre the associated financial costs for a proposed closure under the leisure contract are detailed within the existing contractual agreement between the Council and Places Leisure. The agreement is based on a gain share arrangement, with any amendments to this based on negotiations between WBC and Places Leisure.

Currently no alternative service use has been identified that is required and can be delivered in timely manner on the site. For this reason, this option is not recommended to the Executive to pursue.

Option 4 - Disposal of site with or without planning for residential development

More detailed work on the site has shown that there are a number of constraints on the site which could impact the suitability of the site for residential development.

A planning application would need to justify the loss of and suitable alternative local provision for the “community use”, including compensatory provision for the school use.

The current vehicle access, shared with the school, would likely prove unfeasible on safety and safeguarding grounds; whereas the formation of a new vehicle access on London Road would likely be difficult due to the proximity to the existing school access and the potential loss of a number of mature trees along the London Road frontage, which itself is designated a ‘green route’.

In addition, the next-door development is tightly packed around the existing boundary meaning it would be difficult to achieve reasonable separation distances between residential uses and the proximity of the skate park would need to be considered in terms of noise impact for any new residential units. Some of the St Crispin’s school buildings are grade II listed, so any redevelopment would need to respect the setting of the school building.

Given the potential constraints for residential development on this site, this option is not recommended to the Executive to pursue.

Option 5 - Demolish the buildings and mothball site until land values increase and/or an alternative service need identified.

As per option 4, a planning application would need to demonstrate a lack of demand and suitable alternative local provision for the “community use”, including compensatory provision for the school use.

Costs would be estimated at circa £200k for demolition, with additional costs for making the site secure to avoid vandalism and anti-social behaviour.

Holding vacant sites would not be making the best use of the Council’s assets, particularly when there is an identified service need (investing in secondary school place

sufficiency) which could be provided for on the site. Therefore, this option is not recommended to the Executive to pursue.

Implementation

If the Executive is minded to agree the recommended option of transferring the site to The Circle Trust, then authority would be delegated to the Director of Resources and Assets and Director of Childrens Services, in consultation with the Executive Member for Environment, Sport and Leisure, the Executive Member for Children's Services and the Leader of the Council, to undertake the necessary legal processes to facilitate this.

This would include changes to the current Leisure Contract with Places Leisure and the agreement with The Circle Trust to secure the provision of additional school places. In addition, the Council would need to seek the approval of the Secretary of State for Education for the transfer of the asset.

Subject to the progression of these legal negotiations, design and planning work would be undertaken for the capital works required to the leisure centre buildings for conversion to educational use.

Members should note the Leisure Management contract covers numerous sites and the profit share arrangement generating an overall Management fee paid to the Council. There will be numerous variables impacting on this annual fee, including the potential loss of this site and the disbursement of activities to other sites operated by the Contractor. An annual income target is included in the base budget which is achieved and equalised over the contract through an Equalisation Fund. The feedback from the consultation will be used in discussions with Places Leisure to identify where surrounding facilities can be adapted or added to in order to meet requirements fed back from the community.

The closure of the Leisure Centre facilities would need to be managed and a communication, mobilisation plan and onsite support will be created for existing users of the centre. Wokingham Leisure Centre @Carnival Hub also ran by Places Leisure is a mile away from the existing site and can offer classes, gym, sports hall and pool use with alternative football provisions across the Borough. The use of other available premises in the local area will be explored.

Conclusion

Five options were presented in the consultation. Further work has shown options 3-5 to be unviable. These were also the least popular options.

The consultation showed support for keeping the leisure centre open, but the second most favoured option was to transfer it to The Circle Trust. Having looked at the financial implications of retaining the leisure centre and of providing additional required school places, and the potential for mitigation of the loss of the leisure facilities, the recommendation is to transfer the Leisure Centre to The Circle Trust.

These remain indicative timescales set out below:

- Executive Approval – Nov 23

- Detailed design and planning Application for change of use – Dec 23 – Feb 24
- Contractual changes with Places Leisure – Dec 23 – March 24
- Asset Transfer process with The Circle Trust and approval from Secretary of State for Education by April 2024.
- Places Leisure vacate centre – March 24
- Alteration works to centre – April – Sept 24

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and 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) | £1m | Within Capital programme | Capital |
| Next Financial Year (Year 2) | Nil | | |
| Following Financial Year (Year 3) | Nil | | |

Other Financial Information

This option reduces the likely level of capital investment required to provide required school places if alternative sites were identified. Initial consideration suggests alternative provision, if identified and depending on potential timescales, would likely cost the Council over £5m in capital costs. This would require the identification of a similar reduction in other Capital schemes or additional borrowing.

With regards to revenue Implications there will be numerous variables impacting on this annual fee, including the potential loss of this site and the disbursement of activities to other sites operated by the Contractor. An annual income target is included in the base budget which is achieved and equalised over the contract through an Equalisation Fund.

Legal Implications arising from the Recommendation(s)

This is matter is within the financial limits of the Executive under 5.1.9.4, and Recommendations 8 & 9 are empowered by 5.4.3(a) of the Constitution.

Stakeholder Considerations and Consultation

St Crispin’s School, Existing users of the leisure centre.

Public Sector Equality Duty

An Equalities assessment has been completed and is appended to this report.

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

Any development work on the site, including any school expansion, will, as minimum, comply with statutory policy requirements regarding energy efficiency.

Reasons for considering the report in Closed Session

N/A

List of Background Papers

Appendices include:

Appendix A) A summary of public consultation responses,

Appendix B) Additional information to support the proposal, following the consideration by Community and Corporate Overview and Scrutiny Committee on 14th November 2023.

Appendix C) Equalities Impact Assessment

Background Paper: Full Consultation results, please contact the report authors if you would like to view these.

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