

Report of: Leisure and Cultural Services Interim Business Manager

To: Executive Board

Date: 16th. July 2007

Item No:

Title of Report : Future of Peers Sports Centre

Summary and Recommendations

Purpose of report: To consider withdrawal from the agreement with County regarding the dual use sports arrangements at Peers School.

Key decision: Yes

Portfolio Holder: Councillor David Rundle – Stronger Communities

Scrutiny Responsibility: Environment Scrutiny Committee
Finance Scrutiny Committee

Ward(s) affected: South East Area

Report Approved by

Portfolio Holder: Councillor David Rundle

Author: Jeremy Thomas

Finance: Penny Gardner, Finance and Asset Management

Strategic Director: Sharon Cosgrove, Strategic Director Physical Environment

Policy Framework: Oxford City Council Corporate Plan 2007 – 2010

*To be an effective and responsive organisation, providing value for money services.

Recommendation(s): That Executive Board approves:

- 1) The principle of a managed withdrawal from the dual use operational agreement at Peers Sports Centre.
- 2) The redeployment of staff employed at Peers Sports Centre on 'open ended' contracts affected by these decisions.

Context

- 1 A number of recent reports have assessed Oxford City Council's leisure provision from both a 'freestanding value for money' and a 'number of facilities provided/service cost' perspective given wide concerns that the city's leisure service is high cost and low value.
- 2 One of the reports commissioned to underpin the development of the Leisure Strategies identified that there was twice as much water space provided for public use than average which contributed to our high costs. Council accepted in approving the Leisure Strategies, that a facilities review should proceed and this was also a key task identified in the recent BVR of leisure services.
- 3 Much progress has been made in addressing the concern about the high cost of the leisure service since 2004. Progress has been made in improving the service's value for money; our subsidy per user has been brought down from the 6th highest in the country to the 24th with the biggest improvement in cost reduction in our nearest neighbour and historic city group. At the same time we increased the use of our facilities by 3% last year (against a Sport England target of 1%) so that we have the 3rd highest usage of all historic cities and finally we have improved customer satisfaction with our leisure facilities by 9% over the last 6 years.
- 4 Whilst the Council should be pleased with the direction of travel and this continuous improvement, members are keen to see a step change in the value for money of our services. Council recognised that the first step towards this is a rationalisation of facilities and approved a saving of £100k to be made in this years' budget by early rationalisation of our facilities.
- 5 The Interim Business Manager of Leisure & Cultural Services is currently working up a Leisure Facilities Review and has held two Member workshops to develop the 'Vision' for the future of leisure services within the city. Further work on the Vision will be taking place in political groups over the coming month, after which the Vision will be launched for public consultation.
- 6 Although the Vision is not fully developed, several issues have emerged about the future use of the facility at Peers School that restrict the City Council's options and warrants an early decision.

Site Background

- 7 Peers Sports Centre is located on the Peers School site and is owned by Oxfordshire County Council but operated by Oxford City Council under a dual use agreement. Peers was not part of this Council's facility provision strategy but was inherited from South Oxfordshire in the early 1990s as a result of a boundary change. The transfer from

South Oxfordshire necessitated that the terms and conditions of the agreement with the County were taken on without modification and without any form of withdrawal clause.

- 8 The facility consists of a single (4 badminton) court sports hall, squash courts, four-lane pool, function room and tennis courts.
- 9 Peers Sports Centre has an overall net revenue cost to the authority of circa £200,000 per annum. It is one of the least used of the city's facilities, and as such has a high subsidy per user of £2.91 compared to an average of £1.95 (CIPFA Nearest Neighbours).
- 10 Peers Sports Centre is a poor quality facility and would need substantial investment to bring it up to modern standards. There have been recent structural problems with this facility that make it difficult to manage on a day-to-day basis and have increased costs to the Council. The pool has experienced significant water loss; this was calculated to be around six cubic metres of water per day. Although it has been rectified for the time being, there is a real possibility that permanent damage has been caused to the foundations.
- 11 Other examples include the floor of squash court number 1 warps in bad weather, usually following heavy rain. It has been suggested that this could be through poor drainage caused by the roots of a nearby tree affecting pipework.
- 12 The Executive Board will be aware that Peers School is well advanced in developing its plans to become a city academy; the County Council is currently out to consultation on its final proposals and fully anticipates that academy status will be confirmed January 2008. When that occurs, officers have learnt that Peers School plans to demolish the current sports facilities and redevelop the site but has no plans to rebuild a pool and would wish to end the current agreement with the City Council.
- 13 It is recognised that there needs to be sufficient swimming space in this part of the city and work will continue to ensure that it can be provided elsewhere. Whilst not wanting to 'second guess' the prospective Vision, it should be clear given its poor condition, high cost and future prospects that Peers cannot form part of Oxford City's modern portfolio in this part of the city. The Executive Board is advised to consider a 'managed' withdrawal over the next 6 months that takes account of the County's timetable, allows the orderly transfer of staff and allows centre users to make alternative arrangements.
- 14 In the short term there is spare swimming capacity at Barton, Blackbird Leys and Temple Cowley that can be brought into use and we will work with centre users to ensure they are able to take up this opportunity.

Financial Implications

- 15 The Business Unit was tasked by Council of securing £100k savings in 2007/08 with an additional £300k in 2008/09. In a full year, the likely savings from withdrawing from the operation of Peers Sports Centre would result in around £300,000 savings to the revenue budget. Given that we are already into the second quarter of the year, it would be wrong to assume more than we are likely to achieve, however a close down in January 2008 would contribute £50k towards this saving. The Business Manager will examine options for delivering the shortfall with the Portfolio Holder.
- 16 This saving assumes that all staff associated with the building would cease to be a cost.

Staffing Implications

- 17 There are 17 staff (8 full time equivalent FTE) plus coaches/casuals employed at Peers Sports Centre. Of these, 3 members of staff (combined working of 60 hours) are on 'time-limited' contracts that will not be renewed. Those on 'open ended' contracts would be assimilated into the leisure service at other facilities and would replace time-limited contracts as they come forward to expiry. There will, therefore, be no compulsory redundancies.



Recommendation

That Executive Board approves:

- 1 The principle of a managed withdrawal from the dual use operational agreement at Peers Sports Centre.
- 2 The redeployment of staff employed at Peers Sports Centre on 'open ended' contracts affected by these decisions.

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Background papers: None

