



LEISURE FACILITY STRATEGY

SUMMARY

- 1.1 Further to Cabinet approval on 28 September 2010 this report updates Cabinet on the identification of sites to deliver the two new sporting Hubs as part of the Leisure Strategy.
- 1.2 The purpose of this report is to seek approval of the preferred site for the Outdoor Hub (Multi-Sport Arena) onto part of the Park & Ride site on Pride Park and to agree the commencement of work on procurement options for the new facilities.
- 1.3 To inform Cabinet of the progress made in identifying a site for the Indoor Hub (50m Swimming Pool).

RECOMMENDATION

- 2.1 To approve the selection of the Park and Ride site on Pride Park as the preferred location of the Outdoor Hub in line with the recommendations contained in the Feasibility Study (available on CMIS).
- 2.2 To approve the commencement of work on the procurement of the Outdoor Hub, via either the OGC Consulting Service Framework or an OJEU Notice Procedure. A further report will be submitted to Cabinet, at a future meeting to select the final procurement route.
- 2.3 To note that negotiations are ongoing around the site of the Indoor Hub (50m Swimming Pool) and a further report to Cabinet will be submitted at a later date.
- 2.4 To approve the principle to the use of capital receipts relating to the development of the Leisure Strategy.

REASONS FOR RECOMMENDATION

- 3.1 Since the previous report officers have launched both the Regeneration Fund and the Leisure Strategy to the developer market.
- 3.2 Developers have been asked to identify alternative site/options for both Hubs where possible. Sixteen developers, agents, advisors and public sector landowners have been interviewed to consider our requirements and identify possible alternative sites however there have been a limited number of options identified. After careful consideration the most appropriate site for the Multi Sports Arena has been identified as part of the Park & Ride car park site at Pride Park.
- 3.3 Concurrently two alternative sites for the Indoor Hub have been identified for which negotiations are ongoing.

SUPPORTING INFORMATION

4.1 Multi Sports Arena

- 4.2 Feasibility studies of the all the previously identified sites have been completed by FaulknerBrowns (Architects) and Gleeds (Quantity Surveyors). The preferred site is part of the Park & Ride car park site at Pride Park. This site is owned by Derby City Council.
- 4.3 The Outdoor Hub has been submitted to the developer market but to date no other suitable sites have been identified.
- 4.4 The issues to resolve for the Park & Ride site include; agreement with the adjacent Derby County Football Club on revisions to the match day parking lease; resolution of Planning requirements, transport impacts and technical issues pertaining to the site.
- 4.5 Other sites considered were the Network Rail Wyvern land between the River Derwent and the A52. A positive response has been received from Network Rail to accommodating the Multi Sports Arena on this land, however there are significant Highway infrastructure issues that need to be resolved which are expected to take some considerable time. This site is however immediately adjacent to the preferred site and therefore discussions will continue to seek complimentary development. The Wyvern site represents an excellent opportunity and is effectively the second preferred option should any insurmountable issues arise on the preferred site
- 4.6 Also considered was the Homes and Communities Agency (HCA) land at Manor Kingsway. This site is considered less favourable due to its dominant housing provision and current planning approval. It is considered that this site should be the second reserve.
- 4.7 Artists impressions of the proposed Multi Sports Arena are shown in appendix 2, in addition internal impressions of the arena in sports, concert and exhibition modes are included.

5.1 **Indoor Hub – 50m Swimming Pool**

5.2 To meet the requirements of the Indoor Hub two sites have been identified as suitable (1) part of the DRI decommissioned site and (2) part of the Riverlights site arising out of the market sounding exercise. These are emerging as being suitable for the 50m swimming pool and discussions with the respective owners are ongoing.

5.3 The Outline Planning application for the DRI site has been delayed and will not now be considered until after June 2011. This site has yet to be formally marketed to potential developers; therefore some delay is anticipated.

5.4 Riverlights considered a link with the possible redevelopment of the Queens Leisure Centre site (together with other third party lands) when this becomes vacant. This interest has however reduced when it was realised by the developer that the site could not be brought forward within a short timescale.

5.5 Both sites are suitable from an operational perspective and are on main communication links. At this stage the purchase will need to be negotiated with the respective owners, and a further report will be brought to Cabinet at the conclusion of the negotiations.

6.1 **Procurement – Multi Sports Arena**

6.2 A number of procurement routes for the Multi Sports Arena have been considered. Following this research two main options have been identified.

6.3 The OGC Consultancy Services Framework. This has already been subject to the OJEU selection process and is available to all Local Government Authorities. It creates a very good possibility of moving this scheme forward to enable a contract start at or prior to the London Olympics in July 2012. Competitive tenders for project management and design services would be sought from the approved list.

6.4 Utilising this procedure it is considered that within approximately 19 weeks the team could be appointed and work commence on the detailed design.

6.5 Whilst the detailed design stage is progressing an OJEU process to determine a contractor short list for subsequent competitive tenders would be undertaken thus saving further time.

6.6 This tried and tested process replicates the procurement route currently being used for the Refurbishment/New Build of the Council House.

6.7 Other alternatives for procurement include an 'Asset-backed Vehicle' (ABV) approach which allows a wider private sector involvement in the development and could create additional facilities and regeneration opportunities.

Both of the above options for procurement require significant further work and will be pursued following the selection of the preferred site.

6.8 Procurement – Indoor Hub

6.9 As indicated above the preferred site has yet to be determined. Further information on the procurement options, acquisition and delivery mechanisms will be submitted as part of a later report.

6.10 Consideration could be given at the Invitation to Quote (ITQ) stage to incorporate both hubs under one procurement exercise, also including operating services and facility management services, even if the hubs are developed in two phases this could maximise fee saving possibilities.

7.1 Satellite sites

7.2 In addition to the two Hubs the Leisure Strategy also plans to improve sporting facilities to the North, South, East and West areas of the City. This will be a combination of wet and dry facilities that will be developed as Phase 2 of the programme. It is anticipated this will facilitate some release of land the receipt of which will be utilised for these areas. A further report will be submitted as considerations develop.

OTHER OPTIONS CONSIDERED

8.1 Officers have spoken to nine private sector developers/contractors and to five private sector independent property consultants as part of the market sounding exercise; additionally, discussions have also been held with the public sector landowners.

8.2 The feedback received from the four of the private sector independent property consultants is that the simplest, most efficient procurement route would be to acquire a site in the first instance; one did not express an opinion but was accompanied in discussions by SCAPE who advocated the use of the East Midlands Property Alliance framework.

8.3 Only one of the major private sector developers has expressed an interest in the wider comprehensive regeneration approach and this has been with a view to securing a foothold in the Network Rail Wyvern site.

8.4 Generally speaking the developer's contracting divisions has said that the cheapest, quickest and practical approach is for DCC to acquire a site and then to award a construction contract under a framework or similar agreement.

This report has been approved by the following officers:

Financial officer Service Director(s) Other(s)	Toni Heathcote Paul Robinson (Strategic Director for Neighbourhoods) Richard Williams (Service Director for Regeneration) Christine Durrant (Service Director for Planning & Facilities Management) Claire Davenport (Service Director for Leisure & Culture)
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For more information contact: Background papers: List of appendices:	Name Derek Jinks 01332 255919 e-mail derek.jinks@derby.gov.uk Council Cabinet 28 September 2010 Appendix 1 – Implications Appendix 2 - Artists impressions of proposed Arena (Outdoor Hub) and typical 50m swimming pool & External Views
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IMPLICATIONS**Financial and Value for Money**

- 1.1 On 12 January 2010 Council Cabinet approved a £50 million capital investment into the Leisure Strategy. This was to be split £40m for the indoor and outdoor hubs and £10m for satellite facilities. This has now reduced to £49.8m as £200k has been switched to revenue to fund initial set up costs in 2010/11.
- 1.2 Any land purchase or other major infrastructure costs would not be funded from the £50 million capital budget. Capital receipts from the disposal of property related to the development of the Leisure Strategy will be allocated to this programme.

Legal

- 2.1 None

Personnel

- 3.1 None

Equalities Impact

- 4.1 There are no equalities implications arising from this report.

Health and Safety

- 5.1 There are no Health & Safety implications arising from this report.

Environmental Sustainability

- 6.1 The proposed Hubs are to be designed to BREEAM excellent standards and aim, as far as possible, to be carbon neutral.

Asset Management

- 7.1 The proposed site of the Park and Ride at Pride Park is also used by the football Club for match day parking and agreement for relocation of that facility from the club will be needed. The two potential sites for the indoor hub are either in private ownership or in the case of Riverlights leased to a third party. In both cases terms for acquisition of the site will need to be agreed.

Risk Management

- 8.1 A risk log has been developed for this project which will be updated as events and decisions are made.

Corporate objectives and priorities for change

- 9.1 Creating a 21st Century City Centre
Leading Derby towards a better environment
Giving you excellent services for better value

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Multi Sport Arena – External View



Multi Sport Arena – External View

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Multi Sport Arena – Internal View – In-field sports pitches



Multi Sport Arena – Internal View – Concert



Multi Sport Arena – Internal View – Exhibition/Corporate Event



Example 50m Swimming Pool - Corby