

28 JUNE 2010

Willenhall Leisure Centre – Call In

Ward(s) All

Portfolios: Councillor A. Harris – Leisure and Culture

Report:

At its meeting on 9 June 2010 Cabinet approved a decision to close Willenhall Leisure Centre on 1 September 2010. A copy of the Cabinet decision notice and Cabinet report from the meeting is appended to this report.

In line with provisions contained within Part 4.5 of the Walsall Council Constitution the decision was 'called in' by on 16 June 2010 by the following five Members:

Councillor Ian Shires
Councillor Ian Robertson
Councillor Graham Wilkes
Councillor Tim Oliver
Councillor Peter Hughes

The reason for the call in was:

This decision has been take ahead of a policy decision of the future of Leisure Centres across the borough and we believe any decision should be taken in a borough-wide context.


A copy of the received call-in notice is appended to this report.


The Community Services Scrutiny and Performance Panel are invited to review the decision taken in light of the call-in and are able to make recommendations to Cabinet on alternative courses of action should Members wish to do so.

Recommendations:

That Members consider the call-in of 'Willenhall Leisure Centre' and consider whether they wish to make any recommendations to Cabinet.

Contact Officer:

Craig Goodall – Acting Principal Scrutiny Officer
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	<h1>Walsall Council</h1>	<p>NOTICE TO THE CHIEF EXECUTIVE CALL-IN OF CABINET DECISION BY COUNCIL MEMBERS</p>	<p>DATE</p>
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We, the undersigned members, under the provisions of paragraph 17(c)(ii) of the Scrutiny and Performance Panel Rules, request the Chief Executive to invite the Chairman of the:




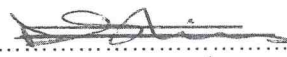
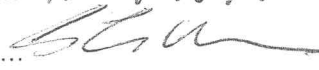
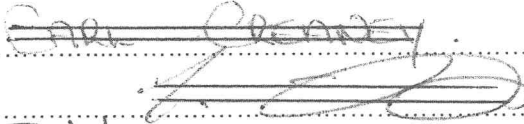

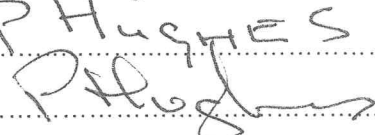
COMMUNITY SERVICES Scrutiny and Performance Panel to call in the following item considered by Cabinet:

Item number: 17

Report title: Willenhall Leisure Centre

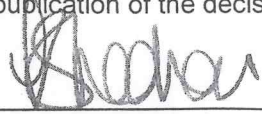
Date of Cabinet meeting: 9 June 2010

For consideration by the above named Scrutiny and Performance Panel for the following reasons: This decision has been taken ahead of a policy decision of the future of Leisure Centres across the borough and we believe any decision should be taken in a borough-wide context

1. Name IAN SHIRES
Signature 
2. Name ~~SEAN COUGHLIN~~ ION ROBERTSON
Signature  
3. Name ~~DOREEN SHIRES~~ GRAHAM WILKINSON
Signature  
4. Name ~~PAUL GARDNER~~ TIM OLIVER
Signature  
5. Name P HUGHES
Signature 

Note 1: Paragraph 17(c)(ii) of the Scrutiny and Performance Panel Rules enables 5 Members of the Council (not being members of the relevant Scrutiny and Performance Panel) to give notice to the Chief Executive to invite the Chairman of the relevant Scrutiny and Performance Panel to exercise the powers of call-in for the reasons set out in the request.

Note 2: This form should be completed and returned to the Cabinet Office within 4 working days of the date of publication of the decision notice.

Signed  (Chief Executive) Date received 16 June 10



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Decision Detail

Willenhall Leisure Centre

Details

Meeting: Cabinet 09 June 2010

Status: Published

Item: 17

Details: (1) That approval be given to proceed with the closure of Willenhall Leisure Centre on 1 September 2010. (2) That, should officers feel at any time that the condition of the building has deteriorated to the extent that it is a danger to the public, officers be instructed to close the building immediately.

Documents

There are no documents associated with this decision.

History

Meeting/Member	Status	Date Reached
Cabinet, 09 June 2010	Published	09/06/2010

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Cabinet – 9 June 2010

Willenhall Leisure Centre

Portfolio: Councillor Harris, Leisure, Culture & Environment

Service: Sport and Leisure

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary of report

- 1.1 This report provides an update on the work undertaken in recent months to reduce costs and increase attendance and income at Willenhall Leisure Centre.
- 1.2 As part of the 2010/11 budget process, the closure of Willenhall Leisure Centre was identified as a potential saving because, based on 2008/09 performance, its subsidy per user was significantly higher than the other leisure centres. At its meeting on 3 February 2010, Cabinet agreed to defer the closure for a maximum of 6 months to allow local members to work with officers to bring the performance into line with the other centres. Cabinet also requested a progress report after 3 months (this report).
- 1.3 Draft outturn figures for 2009/10 show a significant improvement in performance with the cost per user having reduced from £4.01 to £3.02. However, performance across all of the Council's leisure centres was strong, which has reduced the average cost per user down from £1.94 to £1.66.
- 1.4 Lead from the roof has recently been stolen and whilst a short-term temporary repair has been implemented at a cost of £2,000, Property Services consider that the roof is beyond economic repair. The cost to replace the roof and associated works is estimated to be a minimum of £200,000.
- 1.5 A Community Involvement Company, Aston Arena, have expressed an interest in being considered to take over the operation of the centre on a community management basis. It is not thought that they would be willing to cover the likely roofing repair costs, nor would this help the Council to deliver its strategic reduction in water space.
- 1.6 Capacity in other surrounding pools has been identified to cater for any children's swimming lessons that would be displaced by the closure of the Willenhall Pool although these are not necessarily at the current timetabled slots.

2. Recommendations

- 2.1 Proceed with the closure on 30 September 2010 as previously planned. This would realise around £40,000 back to the Council.

3. Background information

- 3.1 As part of the budget saving process for 2010/11, the closure of Willenhall Leisure Centre was identified as an action to achieve the savings target allocated to Sport & Leisure Services and return a balanced budget (saving reference 115). Sport & Leisure Services had delivered significant efficiencies in previous years and in 2010/11, only a facility closure would meet the savings target.
- 3.2 Willenhall Leisure Centre was chosen as the centre to put forward because, based on 2008/9 performance, its subsidy per user was significantly higher (£4.01) than the other leisure centres (£1.94). The closure would yield the greatest saving for the lowest relative impact on service delivery and other provision is located nearby. A breakdown of the leisure centres' performance in 2008/9 is presented at **Appendix A**.
- 3.3 Draft outturn figures for 2009/10 are now available and show a significant improvement in the performance at Willenhall Leisure Centre with the cost per user dropping to £3.02. However, performance across the leisure centres was strong in 2009/10 with overall attendances increasing by nearly 40,000, income up by £94,000, and net costs reduced by £182,000. This has had the cumulative effect of reducing the average cost per user down to £1.66. A breakdown of the leisure centres' performance for 2009/10 is presented at **Appendix B**. Removing Willenhall from the calculation reduces the average subsidy to £1.50.
- 3.4 At its meeting on 3 February 2010 Cabinet agreed to defer the closure for a maximum of 6 months. This was to allow the 9 councillors in Willenhall North, Willenhall South and Short Heath to work with officers to bring the performance of Willenhall Leisure Centre into line with the other leisure centres. This report was requested by Cabinet as an update of progress after 3 months.
- 3.5 Officers initially met with the Willenhall Councillors on 10 February to consider options and also attended a public meeting on 2 March. Thereafter, Members agreed that the project should be driven by the Willenhall Project Reference Group (PRG) and the newly formed Friends of Willenhall Leisure Centre Group.
- 3.6 As a consequence the Councillors involved supported an option to:
 - a) reduce the programme at the leisure centre, and;
 - b) significantly reduce the staffing structure.

The latter point was relatively straightforward to achieve as the staff at the centre had already been placed "at risk" because the original closure date had been

scheduled for 31 March 2010 and officers were able to implement previously agreed redeployments.

- 3.7 So that the centre could continue to operate in the short-term whilst Members considered alternative options, the new programme was launched on 19 April. Early indications suggest income has dropped by around 25% and attendances by around 20% (this is only a preliminary assessment based on 4 weeks' performance to 16th May). Redeployments, a retirement and the deletion of vacant posts have reduced the staffing costs to 6.2 full time equivalents (FTE) and by approximately £100,000. Assuming all other costs remain static the projected full-year effect of these changes is presented as table 1 below:

Table 1 – Estimated full year cost of the revised operation of Willenhall Leisure Centre

	2008/9	2009/10	Full Year est (Short-term 6.2 FTE)	Full Year est (Medium- term 7.2 FTE)
Employees	£320,400	£290,713	£191,000	£211,000
Premises	£125,770	£130,748	£130,748	£130,748
Supplies & Services	£38,696	£35,238	£35,238	£35,238
Total Expenditure	£484,866	£456,700	£356,986	£376,986
Income	-£160,636	-£178,725	-£134,044	-£134,044
Net Expenditure	£324,229	£277,975	£222,942	£242,942
Attendances 2009/10	80,784	91,993	73,594	73,594
Subsidy per user	£4.01	£3.02	£3.03	£3.30
Average subsidy per user	£1.94	£1.66	£1.66	£1.66
Subsidy per user variance from average	£2.07	£1.37	£0.71	£0.95

- 3.8 Based on this estimate, and operating on the absolute minimum short-term model, the subsidy per user at Willenhall will be in the region of £3.03. Whilst this is a significant reduction from the previous £4.01 subsidy per user in 2008/9, it remains higher than the average £1.66 subsidy per user of the other centres.
- 3.9 If Willenhall Leisure Centre was to continue in the medium to long-term and foot-fall increases however, it is strongly recommended that staffing should be increased by 1 FTE to 7.2 FTE. This will not only allow cover for sickness and annual leave, but also enable the standard of cleaning to be maintained at a better level and also for more promotional/liaison work to be undertaken. It is anticipated that this approach, whilst costing slightly more in employee costs, would provide a more stable operating model.
- 3.10 On 14 April 2010, Cabinet agreed to the Community Scrutiny and Performance Panel's recommendation to set up a Working Group to look at the future strategic delivery of leisure centres and report back to Cabinet in September. This will tie

in with Pricewaterhouse Cooper's AM2010 asset management project, the Building Schools for the Future programme, the Working Smarter programme and also the budget process for 2011/12.

- 3.11 The Community Scrutiny and Performance Panel was explicit that a decision regarding the future of Willenhall Leisure Centre should not be deferred pending the outcome of the above report. The Working Group will not however commence their work until mid-June the evidence base for this work has already been largely completed. One of the most apparent findings is the significant over-provision of swimming pools in Walsall at 4,800m². Separate Sport England and Strategic Leisure data suggest a clear need to rationalise the number of pools in the borough down to 2,000m². In this context, despite the very significant improvements, Willenhall Leisure Centre remains the least well used facility and the most expensive on a subsidy-per-head basis.
- 3.12 A desk top exercise has also been undertaken to tentatively re-allocate the existing school swimming lesson bookings from Willenhall to other facilities. Sufficient capacity has been identified although this would not necessarily be at the same as their existing timetabled sessions; it is highly likely that some re-alignment of sessions would be necessary. If the centre were to close in the autumn it should be noted that it would be reasonable that existing school users at other pools be given booking priority, having been existing users in previous years, however this would still be the most opportune time to include the Willenhall school usage into the other pools' programmes.
- 3.13 An initial expression of interest has been received from a Community Involvement Company, Aston Arena. The approach has been made through Councillor Shires and Arena has expressed an interest in being considered to take over the operation of the Willenhall centre. They currently operate a dry-side venue in Birmingham. This was a disused facility, owned by Advantage West Midlands and due to a planning gain agreement, it is maintained by an Asda development. It is important to note that the venue Aston Arena currently manage is very different to Willenhall Leisure Centre; they have no track record of managing swimming facilities, nor facilities for which they have significant asset management responsibility or liability. We await a proposal from Aston Arena and we will then be able to assess whether they would be willing or able to accept liability for the ongoing revenue or capital costs – including the £200,000 roof replacement.

4.0 Resource considerations

- 4.1 **Financial:** At its meeting on 3 February 2010 Cabinet agreed to allocate a maximum of £158,065 to the continued operation of Willenhall Leisure Centre for the six-month period from 1 April to 30 September 2010. Although the cost of operation has reduced, it has not been reduced to a position where Willenhall operates at a similar level to the other centres.
- 4.1.1 The revised operating model now means that as the costs of operation have reduced, it will cost in the region of £223,000 to operate the centre for a full year. The allocated £158,000 should be sufficient to operate the centre to 30 November 2010 which would enable the centre to be considered as part of the

overall leisure centres' strategic review. However if it were to continue to 31 March 2011, a further £74,000 (£18,500 per month) would be required to be identified. If the centre is closed at the end of September, as originally planned, there would be an in-year saving of £40,000 as a result of the savings that have already been made in its operating costs.

4.1.2 A further benefit is that the original budget included £54,000 based on making the team redundant. However, the redeployment process has been successful in securing placements for all but one of the staff and on this basis the redundancy cost may be as low as £10,000. This £44,000 saving could be used to prolong the operation, although a long-term extension of the operation risks losing some of the redeployment placements.

4.1.3 It should be noted that this operation will be at an absolute minimum level of maintenance and repairs to the building and plant. If something fundamental were to fail or break, there is no budget allocation to meet this. If the centre is then unable to operate safely it would not be opened to the public.

4.1.4 For information, during week commencing 3 May 2010, the lead was stolen off the roof at the front of Willenhall Leisure Centre and there is now a large amount of work required to repair this. Costs are being identified through Property Services but, in the short-term a £2,000 emergency repair has been undertaken to the low level roof. Property Services have assessed that the roof is beyond economic repair and the level of deterioration and collateral works will accelerate the longer the original coverings remain. Based on previous condition data and a recent survey of the roof (while viewing the most recent lead damage) to replace the roof coverings and carry out associated works the cost would be in the order of £200,000. This figure is based on an estimate of £175,000 for roof replacement plus an allowance for consequential damage due to water ingress which cannot be fully quantified until the roof structure is exposed by removing coverings.

4.2 Staffing: Of the eleven permanent staff originally based at Willenhall Leisure Centre, five were redeployed on 19 April, one retired and five remain at Willenhall. The five currently at Willenhall remain at risk of redundancy. Whilst officers have currently identified redeployment placements for four of these, it will not be possible to hold these open indefinitely. The single remaining redundancy would cost in the region of £10,000. It should also be considered that the ongoing uncertainty over the future of the site is placing significant stress on the staff remaining.

4.2.1 The current operating model with just 6.2 FTE staff (the five permanent staff plus casual/sessional staff) is a short-term solution whilst the centre's future is considered; it does not allow for sickness or holiday. It is recommended that if the centre is to continue in the medium to longer term, that an additional 1.0 FTE position is added to the centre's staffing. The detail is shown within Table 1.

4.2.2 The current operating model with just 6.2 FTE staff (the five permanent staff plus casual/sessional staff) is a short-term solution whilst the centre's future is considered; it does not allow for sickness or holiday. It is recommended that if the centre is to continue in the medium to longer term, that an additional 1.0 FTE position is added to the centre's staffing. The detail is shown within Table 1.

4.3 Legal: Whilst there is no statutory obligation to provide leisure centres, the Council as part of its Education duties, is obligated to ensure it has available recreation, social and physical facilities as are adequate for the purposes of its schools. These facilities can be provided in co-operation with other bodies.

4.3.1 There are a number of obligations in respect of process that the Council will need to follow in the event of staff redundancies. At present we believe these have been followed in full and at present the process has mitigated the need for compulsory redundancy down to only one.

5. Citizen impact

The closure of Willenhall Leisure Centre would inevitably have a negative impact on the surrounding community, particularly those without access to a car. However, it should also be noted that separate research conducted by Strategic Leisure and Sport England has identified that even with the closure of Willenhall Leisure Centre there is an over provision of swimming pools in Walsall and that there are a further six swimming facilities within 2 miles of Willenhall.

There are currently eight schools using Willenhall Leisure Centre for swimming lessons:

- St. Giles
- Barcroft
- Fibbersley Park
- Lodge Farm
- King Charles
- Beacon Junior
- County Bridge
- Bentley West

Of these eight it should be possible to accommodate five at Darlaston Swimming Pool with an approximate match of their existing booking day / time. Darlaston Pool could potentially accommodate the remaining three although this would require some programme amendment or the schools being offered a different time and/or day. It is also worth noting that King Charles, County Bridge & Bentley West are within reasonable travelling distance of Bloxwich Leisure Centre or Walsall Gala Baths.

On this basis there ought to be sufficient spare capacity in the Council's remaining leisure centres. In addition there is the opportunity to relocate some of these lessons to adjacent secondary school pools.

Sport & Leisure are about to commence the annual renewal of the school swimming bookings across all our sites so this would be an opportune time to relocate the schools from Willenhall as Darlaston Pool, Oak Park Leisure Centre and Gala Baths currently do not have a set schools programme for 2010/11. There is a flexibility to move schools between pools and agree programme compromises. If the closure of Willenhall was deferred until mid-way through the academic year the relocation of school swimming would be much harder as Willenhall schools would have to be fitted into established programmes.

6. Community safety

There are no direct community safety implications. Willenhall Members have mentioned that without the leisure centre, children and young people will have nothing to do within the town centre. Officers are confident that the learn-to-swim programmes at Willenhall Leisure Centre can be relocated to alternate neighbouring swimming facilities.

7. Environmental impact

Modelling completed by Property Services indicated that the existing users travelling to alternate provision 2 miles away would actually lead to a reduction in CO₂ emissions compared to the CO₂ from the existing leisure centre. Whilst vehicle movements would add 125 tonnes of CO₂, the closure of the centre would remove 342 tonnes of CO₂ therefore creating a net overall reduction of 217 tonnes of CO₂.

8. Performance and risk management issues

- 8.1 **Risk:** The principal risk relates to the revised staffing structure, which reflects the absolute minimum required to operate the centre on a daily basis. There is no dedicated reception or cleaning staff and there is no spare capacity in the event of sickness or late arrivals. In the short term this risks service disruption and in the longer term the deterioration of service quality, both of which may have an adverse impact on income and attendances.

If we consider further extending the operation the above risks are magnified. The projections in 4.1.1 are assumed performance and income remaining at current levels (based on a 4-week trial). If income was to deteriorate or additional expenditure (such as the roof repair highlighted in 4.1.4) is necessary, the limited budget will be exhausted far more quickly.

- 8.2 **Performance management:** NI8 – adult participation in sport & physical activity has been an LAA performance concern, although the most recent data has shown a very significant improvement and suggests that Walsall should achieve the LAA target for 2010/11. Due to the high levels of swimming provision across the borough and in the immediate vicinity of Willenhall, it is thought unlikely that Willenhall Leisure Centre will have a significant negative impact on the achievement of this target.

9. Equality implications

Any action will be subject to an equality impact assessment; however given the large amount of alternate provision available no negative impact is likely from any option.

10. Consultation

Councillor Sean Coughlan
Councillor Carl Creaney
Councillor Ian Shires
The Friends of Willenhall Leisure Centre
Open public meeting 2 March 2010

Background papers

Appendix A: Leisure Centre Performance 2008/9
Appendix B: Leisure Centre Performance 2009/10

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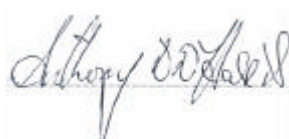
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Jamie Morris
Executive Director



27 May 2010

Councillor Anthony Harris
Portfolio Holder



27 May 2010

Leisure Centre Performance 2008/9

	Bloxwich	Darlaston	Gala Baths	Oak Park	Willenhall	Bentley	All Centres
Employees	£461,183	£324,398	£394,067	£437,196	£320,400	£53,644	£1,990,888
Premises	£222,086	£241,936	£233,452	£204,850	£125,770	£22,723	£1,050,818
Supplies & Services	£79,298	£79,670	£71,437	£83,960	£38,696	£11,260	£364,320
Total Expenditure (excl Cost of capital, CSS & FRS17)	£762,568	£646,003	£698,957	£726,005	£484,866	£87,628	£3,406,026
Income	-£364,202	-£331,647	-£355,273	-£472,412	-£160,636	-£33,488	-£1,717,659
Net Expenditure (excl Capital, CSS & FRS17)	£398,366	£314,356	£343,683	£253,593	£324,229	£54,140	£1,688,367
Attendances 2008/9	187,752	147,038	164,751	266,798	80,784	22,971	870,094
Subsidy per user (excl Cost of capital, CSS & FRS17)	£2.12	£2.14	£2.09	£0.95	£4.01	£2.36	
Average subsidy per user (excl Capital)	£1.94	£1.94	£1.94	£1.94	£1.94	£1.94	
Subsidy per user variance from average	£0.18	£0.20	£0.15	-£0.99	£2.07	£0.42	

Leisure Centre Performance 2009/10

	Bloxwich	Darlaston*	Gala Baths	Oak Park	Willenhall	Bentley	All Centres
Employees	£469,283	£350,342	£408,049	£468,813	£290,713	£49,465	£2,036,665
Premises	£203,120	£221,696	£188,339	£193,034	£130,748	£22,162	£959,099
Supplies & Services	£66,942	£71,586	£72,906	£66,566	£35,238	£8,726	£321,964
Total Expenditure (excl Cost of capital, CSS & FRS17)	£739,345	£643,624	£669,294	£728,413	£456,700	£80,353	£3,317,728
Income	-£402,714	-£320,659	-£403,448	-£479,024	-£178,725	-£26,806	-£1,811,376
Net Expenditure (excl Capital, CSS & FRS17)	£336,631	£322,965	£265,846	£249,389	£277,975	£53,547	£1,506,353
Attendances 2009/10	194,679	143,606	178,825	280,653	91,993	20,227	909,983
Subsidy per user (excl Cost of capital, CSS & FRS17)	£1.73	£2.25	£1.49	£0.89	£3.02	£2.65	
Average subsidy per user (excl Capital)	£1.66	£1.66	£1.66	£1.66	£1.66	£1.66	
Subsidy per user variance from average	£0.07	£0.59	-£0.17	-£0.77	£1.37	£0.99	

*The apparent deterioration in the performance of Darlaston Swimming Pool reflects the closure of Darlaston Multi Purpose Centre in the summer of 2008